



Coastal
The Energy People

January 12, 1996

Morgan State #3-36
Morgan State #4-36
Morgan State #5-36
Section 36-T9S-R21E
Uintah County, Utah

Mr. Mike Hebertson
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Mr. Hebertson:

Enclosed are the Applications for Permit to Drill (APD), the Drilling Programs, and the Surface Use and Operations Plans for the above referenced wells. *Please note that the Surface Use and Operations Plans are subject to change pending completion of the on-sites.* A copy of the revised Surface Use and Operations Plans, if changed, will be provided to you after the on-site inspections.

Please call me, at the number listed below, so that on-site inspections for these wells can be scheduled and appropriate parties invited to the on-sites. We would prefer that the on-site inspections be scheduled for Tuesday, January 30.

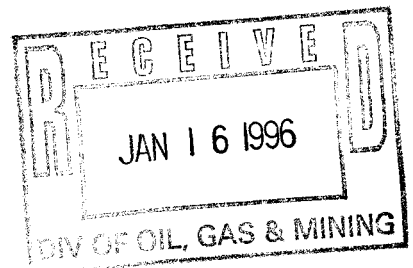
If you have any questions concerning the enclosed documents, please contact me at (303) 573-4455.

Sincerely,

Sheila Bremer
Environmental & Safety Analyst

Enclosures

cc: State of Utah
Division of State Lands & Forestry
3 Triad Center, Suite 400
Salt Lake City, UT 84180-1204



Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303/572-1121

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK			5. Lease Designation and Serial No. ML-22265	
1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			6. If Indian, Allottee or Tribe Name N/A	
b. Type of Well Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>			7. Unit Agreement Name N/A	
2. Name of Operator Coastal Oil & Gas Corporation			8. Farm or Lease Name Morgan State	
3. Address of Operator P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455			9. Well No. #3-36	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 521' FNL & 1940' FEL At proposed prod. zone 158' 54'			10. Field and Pool, or Wildcat Natural Buttes Field	
14. Distance in miles and direction from nearest town or post office* Approximately 48 miles south of Vernal, Utah.			11. 00, Sec., T., R., N., or S. and Survey or Area NW/NE Sec. 36-T9S-R21E	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 521'			12. County or Parrish Uintah	
16. No. of acres in lease 639.20 (Sec. 36)			13. State Utah	
17. No. of acres assigned to this well 40 acres				
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. Approx. 1400'			19. Proposed depth 9,450'	
20. Rotary or cable tools Rotary				
21. Elevations (Show whether DF, RT, GR, etc.) 5016' Ungraded GR			22. Approx. date work will start* Upon Approval	
23. PROPOSED CASING AND CEMENTING PROGRAM				
Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
Please see attached drilling program.				

Coastal Oil & Gas Corporation proposes to drill a well to a proposed TD of 9,450' to test the Mesaverde Formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See the Drilling Program and Multi-point Surface Use & Operations Plan, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by Coastal's Bond #102103.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. I hereby certify that this report is true and complete to the best of my knowledge.

Signature

Sheila Bremer

Title Environmental & Safety Analyst Date 1/12/96

(This space for Federal or State office use)

API No.

43-047-32589

Approval Date

Approved by

Matthews

Title

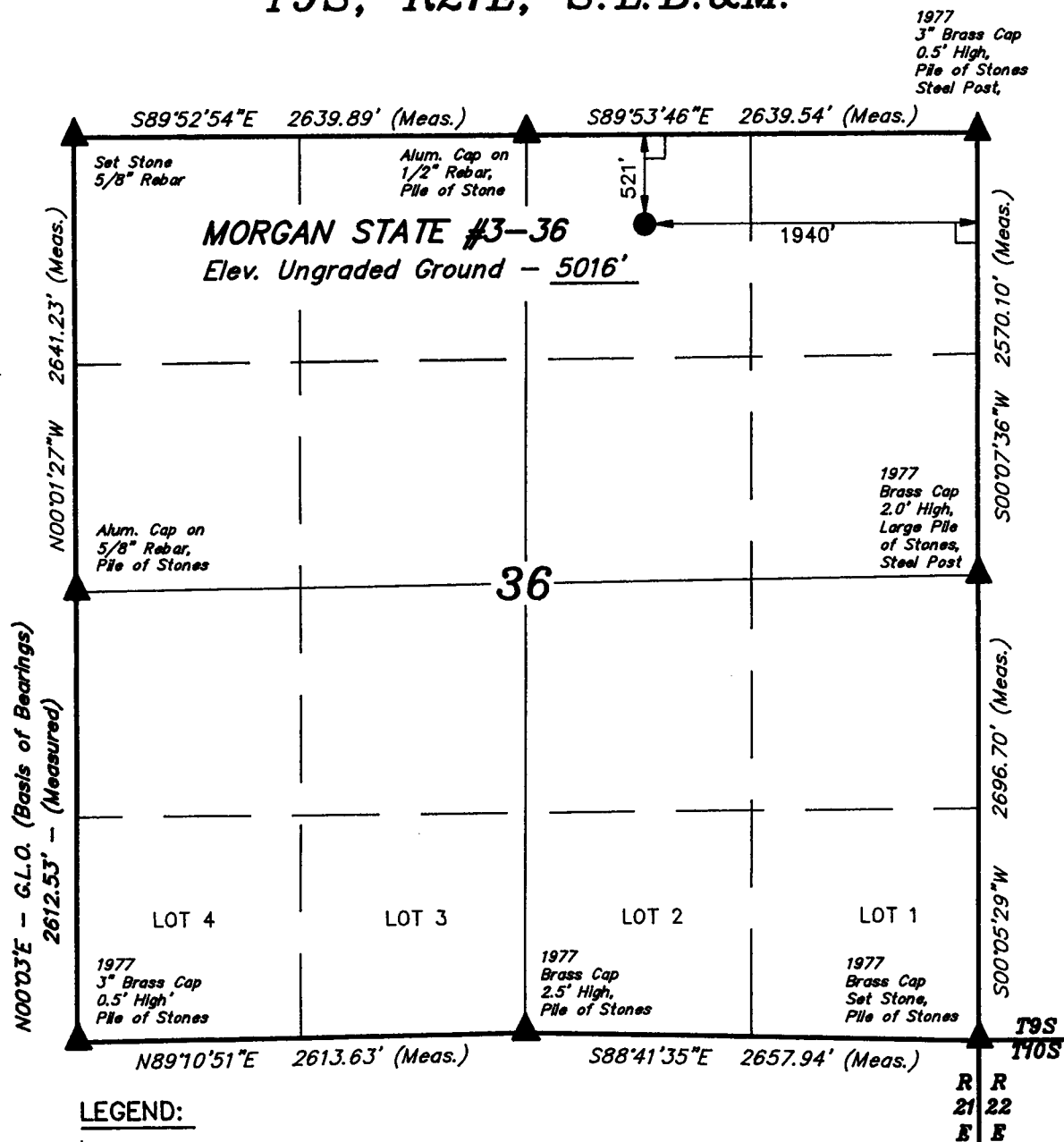
Petroleum Engineer

Date

2/9/96

Conditions of approval, if any:

T9S, R21E, S.L.B.&M.



LEGEND:

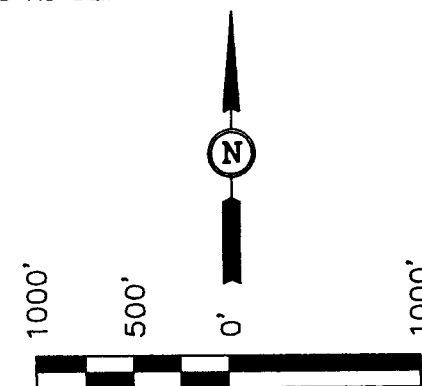
- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

COASTAL OIL & GAS CORP.

Well location, MORGAN STATE #3-36, located as shown in the NW 1/4 NE 1/4 of Section 36, T9S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATERS TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NO. 161319
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 1-2-96	DATE DRAWN: 1-3-96
PARTY L.D.T. B.B. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE COASTAL OIL & GAS CORP.	

**MORGAN STATE #3-36
521' FNL & 1940' FEL
NW/NE, SECTION 36-T9S-R21E
UINTAH COUNTY, UTAH**

COASTAL OIL & GAS CORPORATION

DRILLING PROGRAM

The proposed wellsite is on State of Utah surface/State of Utah minerals.

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Duchesne River/Uinta	Surface
Wasatch	4,640'
Mesaverde	7,310'
Total Depth	9,450'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Wasatch	4,640'
	Mesaverde	7,310'
Gas	Wasatch	4,640'
	Mesaverde	7,310'
Water	N/A	
Other Minerals	N/A	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. Oil and gas shows will be tested to determine commercial potential.

3. **Pressure Control Equipment:** (Schematic Attached)

Coastal Oil & Gas Corporation's minimum specifications for pressure control equipment are as follows:

- Ram type: 11" Annular Preventer (Hydril), 11" Double Gate Hydraulic, Drilling Spool, 5,000 psi.
- Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

- Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.
- As a minimum, the above test will be performed when initially installed, whenever any seal subject to test pressure is broken, following related repairs, or at 30-day intervals.
- Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.
- When testing the kill line valve(s), the check valve shall be held open or the ball removed.
- Annular preventers (if used) shall be functionally operated at least weekly.
- Pipe and blind rams shall be activated each trip; however, this function need not be performed more than once a day.
- A BOPE pit level drill shall be conducted weekly for each drilling crew.
- Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

- The size and the rating of the BOP stack is shown on the attached diagram.
- A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. **Proposed Casing and Cementing Program:**

- a. The proposed Casing Program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Wt/ft</u>	<u>Grade</u>	<u>Type</u>
Surface	0-2,500'	12-1/4"	8-5/8"	32#	K-55	ST&C
Production	0-TD	7-7/8"	5-1/2"	17#	N-80	LT&C

Casing design is subject to revision based on geologic conditions encountered.

- b. The Cement Program will be as follows:

<u>Surface</u>	<u>Fill</u>	<u>Type & Amount</u>
0-2,500'	1,400'	Lead: 500 sx Lite cement, 12 ppg, 2.06 ft. ³ /sx.
	1,100'	Tail: 600 sx Premium, 15.6 ppg, 1.19 ft. ³ /sx.
<u>Production</u>	<u>Fill</u>	<u>Type & Amount</u>
2,500'-4,000'	1,500'	Lead: Approx. 85 sx "Hi lift" Class "G" w/12% gel & 2% extender, yield 3.9 ft. ³ /sx, 11 ppg (325 ft. ³ total).
4,000'-TD	5,450'	Tail: Approx. 730 sx (1170 ft. ³) "Self-Stress II" Class "G" w/10% Gypsum, 1.61 yield, 14.2 ppg.

5. **Drilling Fluids Program:**

<u>a.</u>	<u>Interval</u>	<u>Type</u>	<u>Mud Wt.</u>
	0-7,000'	Air Mist/Aerated Water	
	7,000'-TD	LSND to Lightly Dispersed Mud	8.8-10

- b. No chromate additives will be used in the mud system without prior approval to ensure adequate protection of fresh water aquifers.

6. **Evaluation Program:**

- a. Logging Program:

DIL-SP-GR-Neutron-Density-Sonic:	2500'-TD
2 Man Mud Logging:	2500'-TD
Drill Stem Tests:	None anticipated.
Cores:	20 sidewalls planned in Mesaverde.

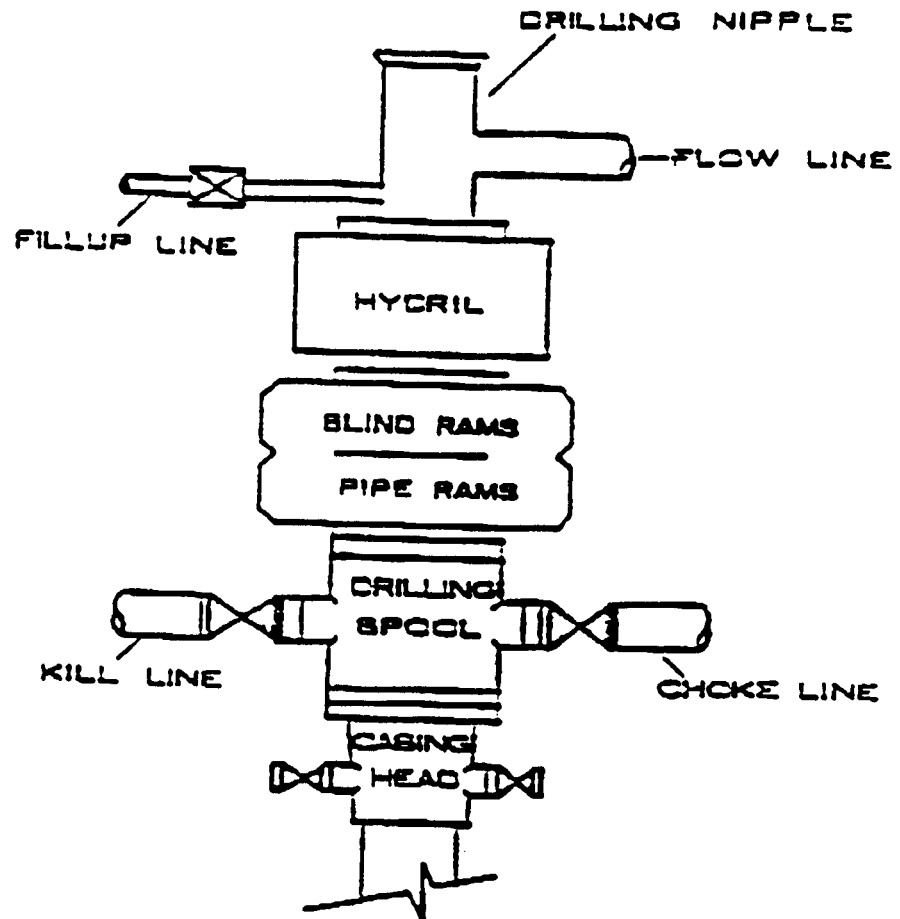
The Evaluation Program may change at the discretion of the well site geologist.

- b. No drill stem tests, stimulation, or frac treatment has been formulated for this well at this time; however, the drill site, as approved, will be of sufficient size to accommodate all completion activities. Any frac treatment program specifics will be submitted via sundry notices.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered in or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 3,780 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 1,701 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

EOP STACK



5,000 PSI

**MORGAN STATE #3-36
521' FNL & 1940' FEL
NW/NE, SECTION 36-T9S-R21E
UINTAH COUNTY, UTAH**

COASTAL OIL & GAS CORPORATION

MULTI-POINT SURFACE USE & OPERATIONS PLAN

This Surface Use and Operations Plan is subject to change pending completion of the on-site inspection.

1. Existing Roads:

The proposed wellsite is approximately 48.7 miles south of Vernal, Utah.

Directions to the location from Vernal, Utah, are:

Proceed westerly from Vernal on U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88, exit left and proceed south approximately 17.0 miles on State Highway 88 to Ouray, Utah; proceed south from Ouray approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing oil field service road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 3.9 miles to the junction of this road and an existing road to the southeast; turn right and proceed in a southeasterly direction approximately 1 mile to the junction of this road and an existing road to the northeast; turn left and proceed in a northeasterly then southeasterly direction approximately 0.6 miles to the beginning of the proposed access road; follow road flags in a northeasterly direction approximately 150' to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

Improvements to existing access roads shall be determined at the on-site inspection.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 150' of new access will be required. The new access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, ***unless modified at the on-site inspection.*** Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:** (See Map C)

- a. Water wells - 0
- b. Producing wells - 8
- c. Drilling wells - 0
- d. Shut-in wells - 0
- e. Temporarily abandoned wells - 0
- f. Disposal wells - 0
- g. Abandoned wells - 0
- h. Injection wells - 0

4. **Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

- a. All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.
- b. A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.
- c. All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

- d. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.
- e. The proposed pipeline will leave the well pad in a southerly direction for an approximate distance of 1,850' to tie into an existing pipeline. Please see Map D.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Section 32-T4S-R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

- a. Drill cuttings will be contained and buried in the reserve pit.
- b. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.
- c. The reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. *The need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

- d. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- e. A chemical porta-toilet will be furnished with the drilling rig.
- f. Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.
- g. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

- h. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). *This section is subject to modification as a result of the on-site inspection.*

See the attached diagram to describe rig orientation, parking areas, and access roads.

- a. The reserve pit will be located on the northwest side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the northeast side of the location. All brush removed from the well pad during construction will be stockpiled separately from the topsoil.
- c. The flare pit will be located on the north side of the location, downwind from the prevailing wind direction and a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.
- d. Access will be from the southwest.
- e. All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

- f. The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

a. Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

b. Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. **Surface Ownership:**

- a. Access Roads - The proposed access road is located on lands owned by:
 - State of Utah, Division of State Lands & Forestry

- b. Well Pad - The well is located on land owned by:
- State of Utah, Division of State Lands & Forestry
3 Triad Center, #400
Salt Lake City, Utah 84180-1204

12. **Other Information:**

- a. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.
- b. The Operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities.
- c. A Class III archeological survey was conducted by Metcalf Archaeological Consultants, Inc. A copy of this report is attached. This report was also sent directly to the Utah Preservation Office, Division of History, Salt Lake City, and Kenneth Wintch, Utah State Lands, Salt Lake City, by Metcalf Archaeological Consultants.

13. **Lessee's or Operators's Representative and Certification:**

Sheila Bremer
Environmental & Safety Analyst
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4455

Ned Shiflett
Drilling Manager
(713) 877-6354

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the

operations proposed herein will be performed by the operator, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Sheila Bremer
Sheila Bremer

1/2/96
Date

**Coastal Oil & Gas Corporation's Morgan State 3-36 Wellpad, Access Road, and Pipeline
Section 36, T9S, R21E
Class III Inventory, Uintah County, Utah**

Prepared by,
Dulaney Barclay
Metcalf Archaeological Consultants, Inc.
P. O. Box 899
Eagle, CO 81632

DENVER DISTRICT - E & S

JAN 12 1996

TIC ____ TFS ____ TCY ____ CEL ____
B ____ JRN ____ MDE ____ LPS ____

Michael D. Metcalf
Principal Investigator

Prepared for,
Coastal Oil & Gas Corporation
Denver, Colorado

Utah State Project #U-95-MM-0713s

January 1996

INTRODUCTION

Metcalf Archaeological Consultants, Inc. (MAC), conducted a Class III cultural resource inventory of the proposed Morgan State #3-36 well pad location for Coastal Oil and Gas Corporation. The project consisted of the inventory of a ten acre block around the proposed well location and the inventory of a proposed pipeline from the pad location to an existing aboveground pipeline located approximately 1900 feet to the south. Access to the well pad is from an improved oil field road that crosses through the southwest corner of the inventory block. The project area is located in the Bitter Creek Gas Field in Uintah County in the NW¼, NE¼ of section 36, T.9S, R.21E (Figure 1). The center stake for the proposed well is at 521' FNL, 1940' FEL. A 100 foot wide corridor was inventoried for the 1600 feet of proposed pipeline outside the inventory block. Total linear acreage outside the inventory block amounted to 3.6 acres. Total acreage for the project was thus 13.6 acres. An isolated find and a non-significant prehistoric site were recorded during this investigation.

This project is located on property administered by the State of Utah, Salt Lake City, Utah. The survey was conducted on January 3, 1996 by the author. The project was carried out under State of Utah permit #U-95-MM which expires on 1/30/96. All field notes and maps are on file at the MAC office in Eagle, Colorado.

STATEMENT OF OBJECTIVES

Following the mandated policies implementing the National Historic Preservation Act (NHPA [Public Law 89-665]), as amended, this project was inventoried to locate any cultural resources within the potential area of effect. Any discovered cultural resources were to be evaluated for eligibility to the National Register of Historic Places (Register). To be eligible for the Register, the resource must retain essential aspects of integrity and meet one or more of the Criteria for Eligibility (36 CFR §60.4). For archaeological resources, eligibility is typically recommended under Criterion d, on the basis of the information potential of surface artifacts and features, and intact sub-surface cultural deposits. Historical resources may be evaluated under any of the four Criteria on the basis of information potential or significant historic associations.

ENVIRONMENT

This project is located in the southern margin of the Uintah Basin just west of Sand Wash between the Green River and the White River. The project area is located in a dissected upland area consisting of a series of north-south trending benches and ridges separated by incised intermittent and ephemeral drainages. The area is underlain by sandstones and siltstones of the Tertiary-aged Uinta Formation which cap the benches and ridges and form narrow benches on their slopes. Localized areas are mantled with Quaternary

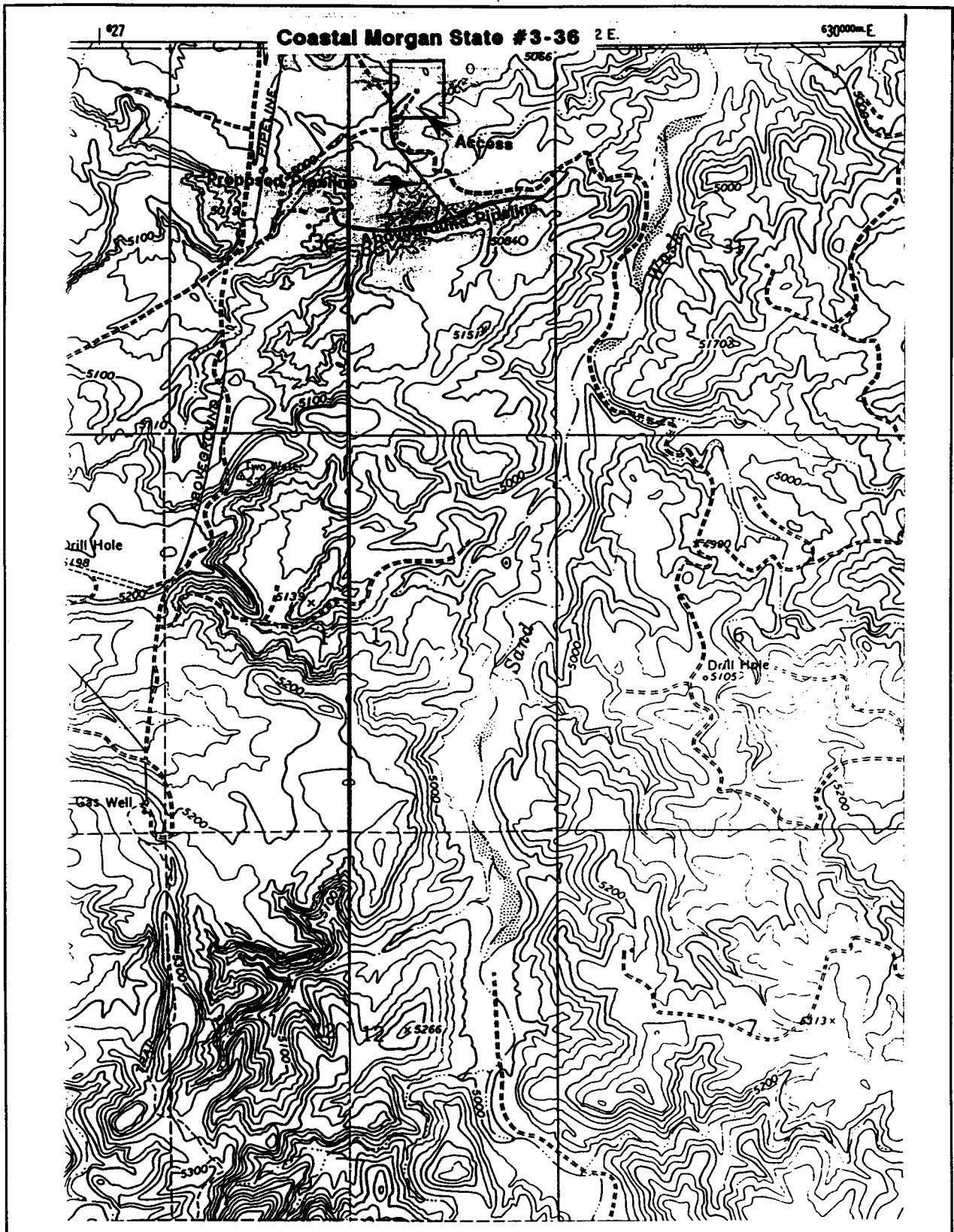


Figure 1 Project location map, Section 36, T.9S, R.21E (Archy Bench and Big Pack Mountain NE 7.5' Quadrangles 1968 (PR 1987)).

gravel deposits, and low lying areas contain gravelly alluvial and small aeolian sand sheet deposits (Hintze 1980). The numerous intermittent and ephemeral drainages flow north and northeast into the Green and White Rivers via a few north flowing creeks.

The pad is located on a broad ridge top containing shallow ephemeral drainages and bounded on the southeast by a intermittent drainage flowing northeast and on the west by a broad deflated area. Sandstone and siltstone bedrock outcrops on the southeast facing slope of the ridge forming a series of narrow benches. The north/northwest facing slope of the ridge is covered by a thin aeolian sand sheet that extends onto the ridge top in the east half of the inventory block. The sand is packed more thickly underneath the vegetation on the northwest facing ridge slope becoming thinner on the ridge top. The deflated area bounds the sand sheet on the west. Sandstone bedrock outcrops on the ridge top at the south end of the inventory block and in a few spots on top of the ridge at the north end of the block. The southeast facing slopes of the ridge are barren, but vegetation is moderately dense in the sandy areas on the ridge top and on the northwest facing slope of the ridge (20-30% cover). Sparser vegetation (10-20% cover) exists in the gravelly deflated area at the west end of the inventory block. The vegetation consists of greasewood, rabbitbrush, and Rice grass.

FILES SEARCH

A files search was conducted through the Utah State Division of History on December 28, 1995. Two linear projects have been conducted in section 36, T.9S, R.21E. A inventory of a small pipeline in 1981 by Brigham Young University (BYU) resulted in the recording of 42UN1204. The site consisted of a small lithic scatter (5 m x 5 m). It was determined to be ineligible and subsequently destroyed by road construction. A inventory of the Book Cliffs Highway by Archaeological Environmental Research Consultants (AERC) in 1990 located no cultural resources.

FIELD METHODS

The well pad area was covered intensively by a series of pedestrian transects spaced 15 m apart. The pipeline corridor was inventoried using two zig-zag transects each covering 15 m (50') on either side of the staked centerline. During the investigation, special attention was paid to areas of enhanced subsurface visibility, such as eroded areas, rodent backdirt piles, road cuts and animal trails. If cultural material was located, the area was examined closely until all surface manifestations had been identified and the resource adequately defined. The appropriate forms were then filled out, and in the case of sites a black and white overview picture taken and a site sketch map made using a Brunton Pocket Transit and pacing for distances. Sites were marked by white pvc pipe with a aluminum tag bearing the temporary number of the site.

The testing of sites for eligibility for inclusion on the National Register consisted of the excavation of a series of shovel probes placed in areas of the site judged most likely to contain cultural remains in an intact context. The shovel probes were excavated in rough 20 cm levels and all fill was screened through a quarter-inch mesh screen. The diameter of the probes varied from 30 cm to 40 cm. Artifacts recovered were provenienced by shovel probe number and depth below the surface. Any artifacts from the probes were collected and curated at the College of Eastern Utah in Price, Utah.

RESULTS

The inventory of the Coastal Morgan State 3-36 well pad resulted in the recording of one sparse lithic scatter (42UN2262) and a historic isolated find (3-36-1). The single site was shovel tested and judged to be non-significant and not eligible for inclusion on the National Register. The isolated find is by definition not significant and not eligible for inclusion on the National Register.

42UN2262 (MM-4241): The site consists of a very sparse scatter of lithic flakes on the northwest facing slope the ridge. The artifacts are widely scattered in a roughly oval pattern approximately 829 m² (0.2 acres) in size. Most of the artifacts are located along the southern boundary of the site adjacent to the two-track road that bounds the site its southern end, but in which no artifacts were noted. The site is located on a sand sheet deposit of variable thickness on the northwest facing slope of the ridge. The site contains three secondary flakes, two primary flakes, a sandstone metate fragment and a piece of scorched sandstone. The flakes are chert and quartzite with chert (#=3) outnumbering quartzite (#=2). The metate fragment is unifacially ground over 75% of the surface. The sand sheet deposit is of variable thickness with the thickest deposits underneath the vegetation where the wind has packed it. Generally, it thickens upslope with the thicker sand accumulation on the lower slopes of the ridge forming a slight bench at the site's southwest end. The sand sheet deposit becomes thinner upslope toward the top of the ridge at the sites northeast end. The site has been impacted lightly by deflation with small, shallow hollowed out areas containing very small rock fragments. Bedrock outcrops on the ridge top south/southwest of the site and a deflated area of gravelly residual soils is located several meters to the west. The east half of the site is located within the boundaries of the pad pit while the west half of the site is outside the boundaries of the proposed pad.

Four shovel probes excavated to bedrock failed to reveal the presence of buried cultural materials. Three shovel probes were excavated across the southwest end of the site where the deposition appeared to be the greatest and where the greatest number of artifacts occurred on the surface. The probes were excavated to depths ranging from 60 to 70 cmbs where decomposing green sandstone was encountered. The stratigraphy in all probes was similar. All probes had an upper unit 10 to 15 cm thick that consisted of loose, light brown sand with some small gravels. Below this is a compacted, lighter colored sand with some carbonate 15 to 25 cm thick. In shovel probe #3 and #4, a loose, moist, medium brown sand

15 to 20 cm thick containing roots and rootlets was encountered. In all probes, a hard, heavily carbonated sand 8 to 38 cm thick was encountered. This unit rested on the decomposing sandstone bedrock that outcrops on the ridge top south/southwest of the site. Shovel probe #1 and #2 yielded no artifacts. Shovel probe #3 yielded on flake at a depth of 30 to 50 cmbs. However, this flake is believed to have come from the upper 10 cm of the hole as the upper portion of the probe was collapsing as hole was being excavated. A fourth probe was excavated to the same depth immediately adjacent to shovel probe #3 to verify or negate the results of the excavation of shovel probe. The excavation of shovel probe #4 recovered no cultural materials supporting the hypothesis that the flake in shovel probe #3 came from a surface context. The single flake was not collected as it is not considered a significant artifact and most likely came from a surface context.

Management Recommendation: The site is judged to be non-significant and not eligible for inclusion on the National Register. The site has very sparse artifacts and no features. None of the artifacts observed are diagnostic, and the site contains no datable features to provide a temporal or cultural context. Testing indicates that the site is surficial only with no buried cultural materials. No further work is recommended for this site.

IF 3-36-1: This isolate consists of two metal cans roughly 10m apart. The cans are a sodder-dot milk can and a flip top cigar can. Neither can had labeling, embossments or other markings. Dates for the sodder dot milk can are roughly from the 1920's to the present while the cigar can dates are roughly from 1910 to 1920 (IMACS Users Guide 1992). The cans are located on a gentle west facing slope of a ridge overlooking drainages to the west and south. It is located more than 70 m from the pad boundaries and will not be impacted by construction. Based on the known history of the area, it probably represents a short-term camping spot for a sheepherder. Isolated finds are by definition not eligible for inclusion on the National Register. No further work is necessary.

RECOMMENDATIONS

Cultural resource clearance is recommended for the Coastal Morgan State 3-36 well pad. The single isolated find recorded is not eligible for the National Register by definition. No further work is necessary. The single prehistoric site (42UN2262) does not meet Criterion d of the Criteria for Eligibility (36 CFR §60.4) as it has no further information potential. The surface remains are too sparse to provide any further information, and they cannot provide any temporal or cultural context for the site. Testing failed to reveal any buried cultural component or any evidence of datable materials in a sub-surface context. The site is judged to be not significant and not eligible for inclusion on the National Register. No further work is recommended and cultural resource clearance is recommended for the project.

REFERENCES CITED

Hintze, Lehi F.

1980 *Geologic Map of Utah*. Utah Geological and Mineral Survey, Salt Lake City. UT.

IMACS User's Guide

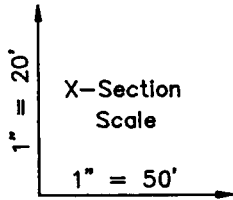
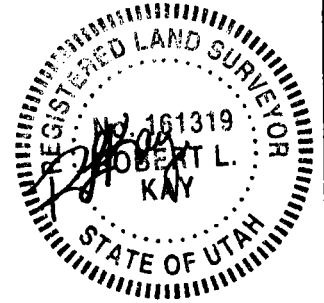
1992 Intermountain Antiquities Computer System. Prepared by University of Utah, Bureau of Land Management, and the U.S. Forest Service.

86 South 200 East Vernal, Utah

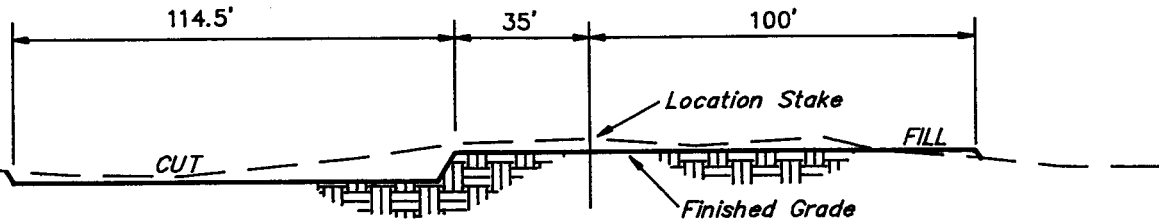
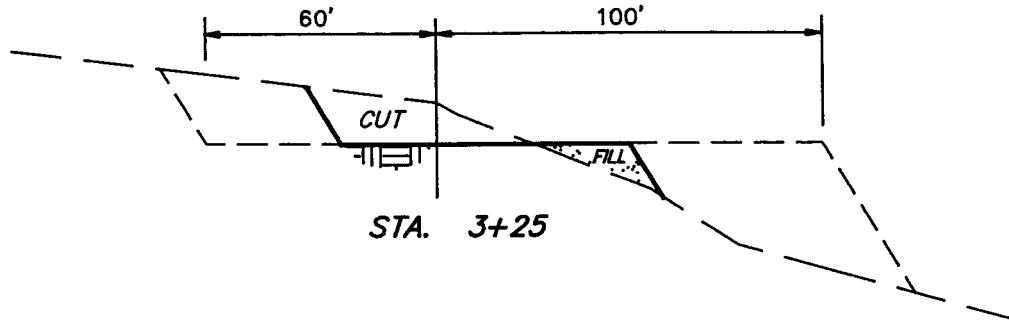
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

MORGAN STATE #3-36
SECTION 36, T9S, R21E, S.L.B.&M.
521' FNL 1940' FEL



DATE: 1-3-96
Drawn By: D.R.B.



NOTE:
TERRACE PIT 3' TO
MAINTAIN 1/2 IN CUT.

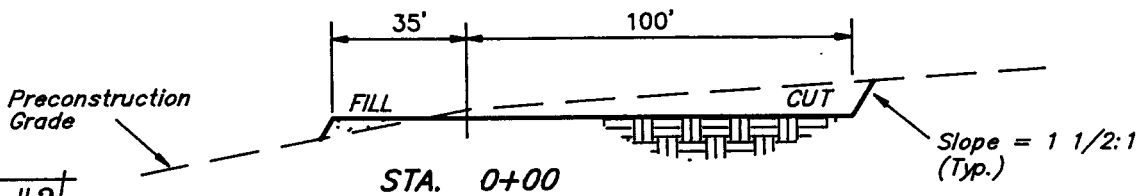
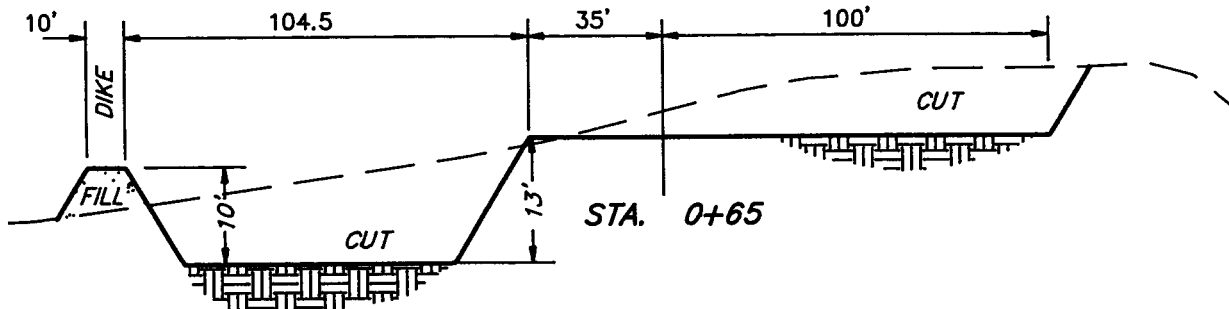


FIGURE #2

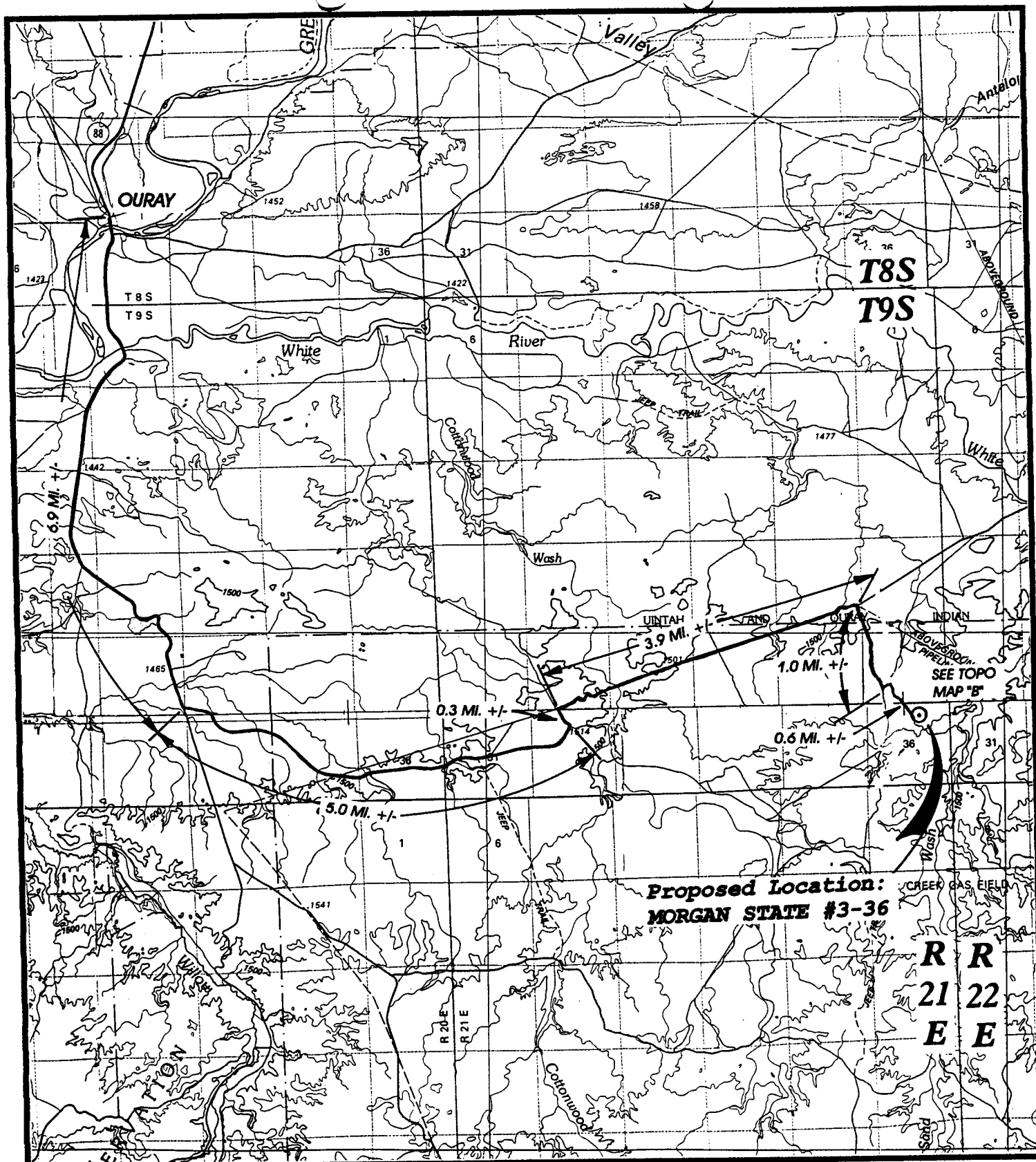
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,080 Cu. Yds.
Remaining Location = 5,340 Cu. Yds.

TOTAL CUT = 6,420 CU.YDS.
FILL = 3,790 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 2,430 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 2,430 Cu. Yds.
EXCESS UNBALANCE = 0 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 South 200 East Vernal, Utah



Proposed Location:
MORGAN STATE #3-36

R R
21 22
E E

UELS

**TOPOGRAPHIC
MAP "A"**

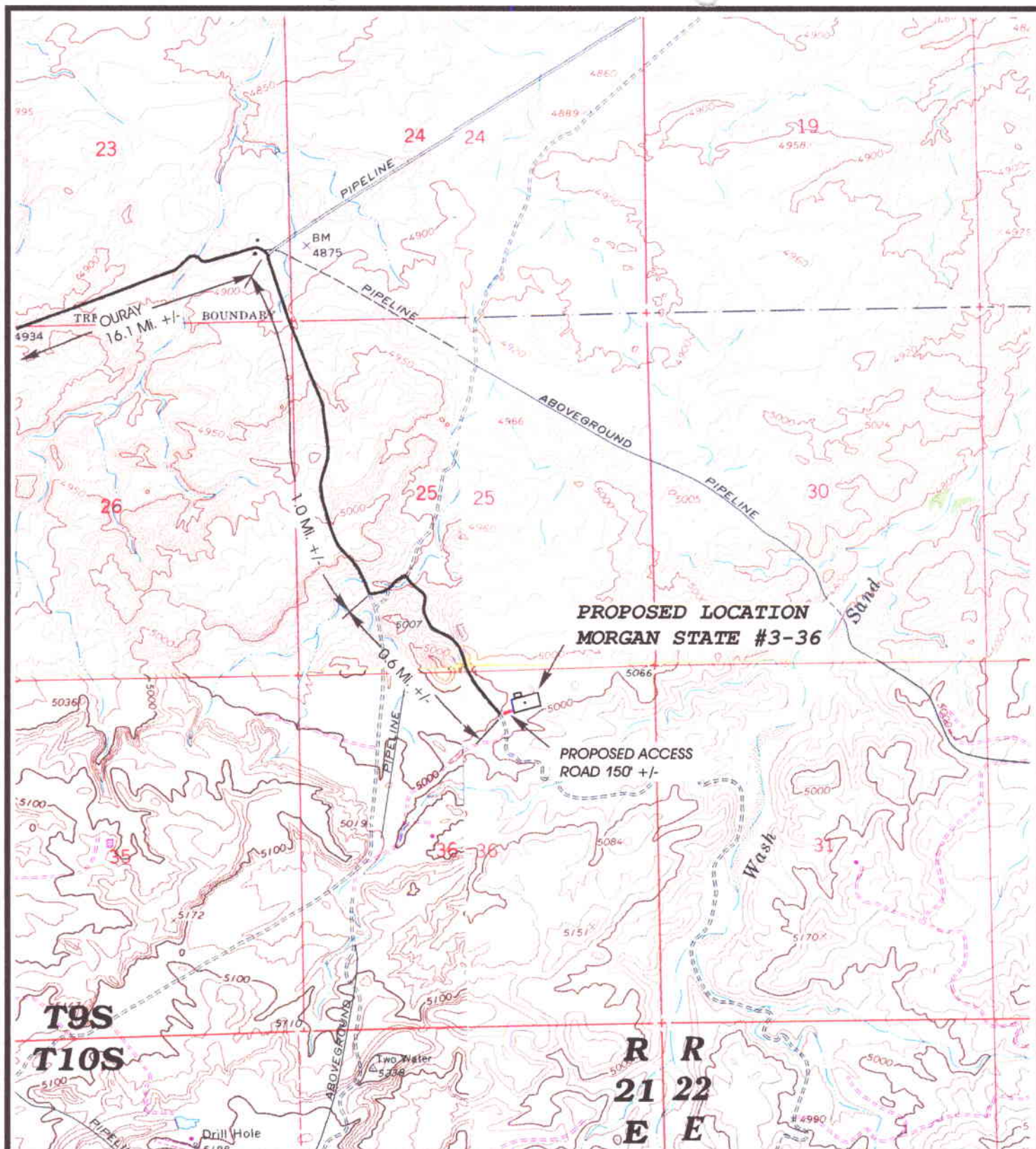
DATE: 1-3-96
Drawn by: D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



COASTAL OIL & GAS CORP.

MORGON STATE #3-36
SECTION 36, T9S, R21E, S.L.B.&M.
521' FNL 1940' FEL



UELS

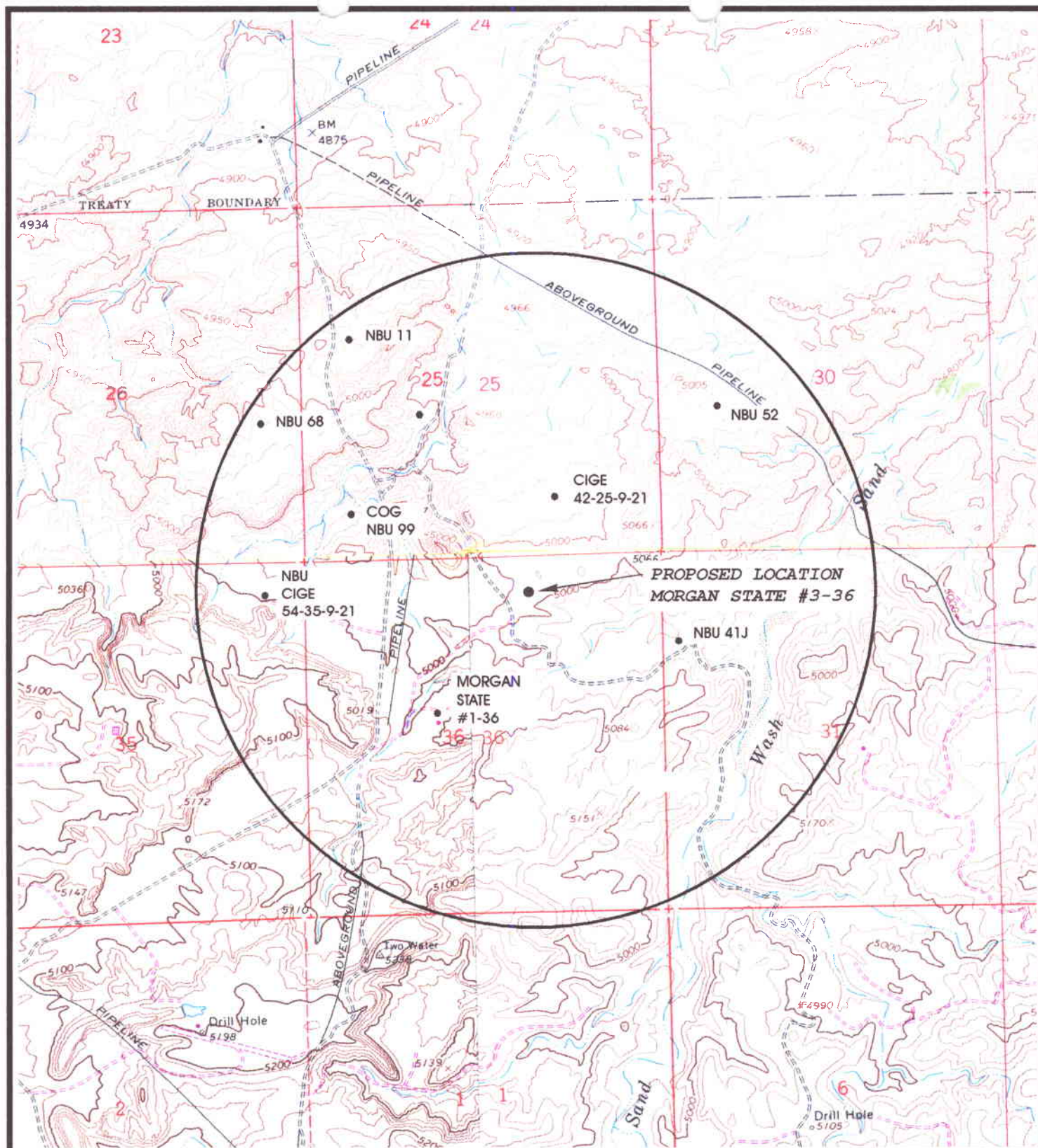
TOPOGRAPHIC MAP "B"

DATE: 1-3-96
Drawn by: D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



SCALE: 1" = 2000'



LEGEND

- Water Wells
 Abandoned Wells
 Temporarily Abandoned Wells
 Disposal Wells
 Drilling Wells
 Producing Wells
 Shut-In Wells

UEL
 UTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

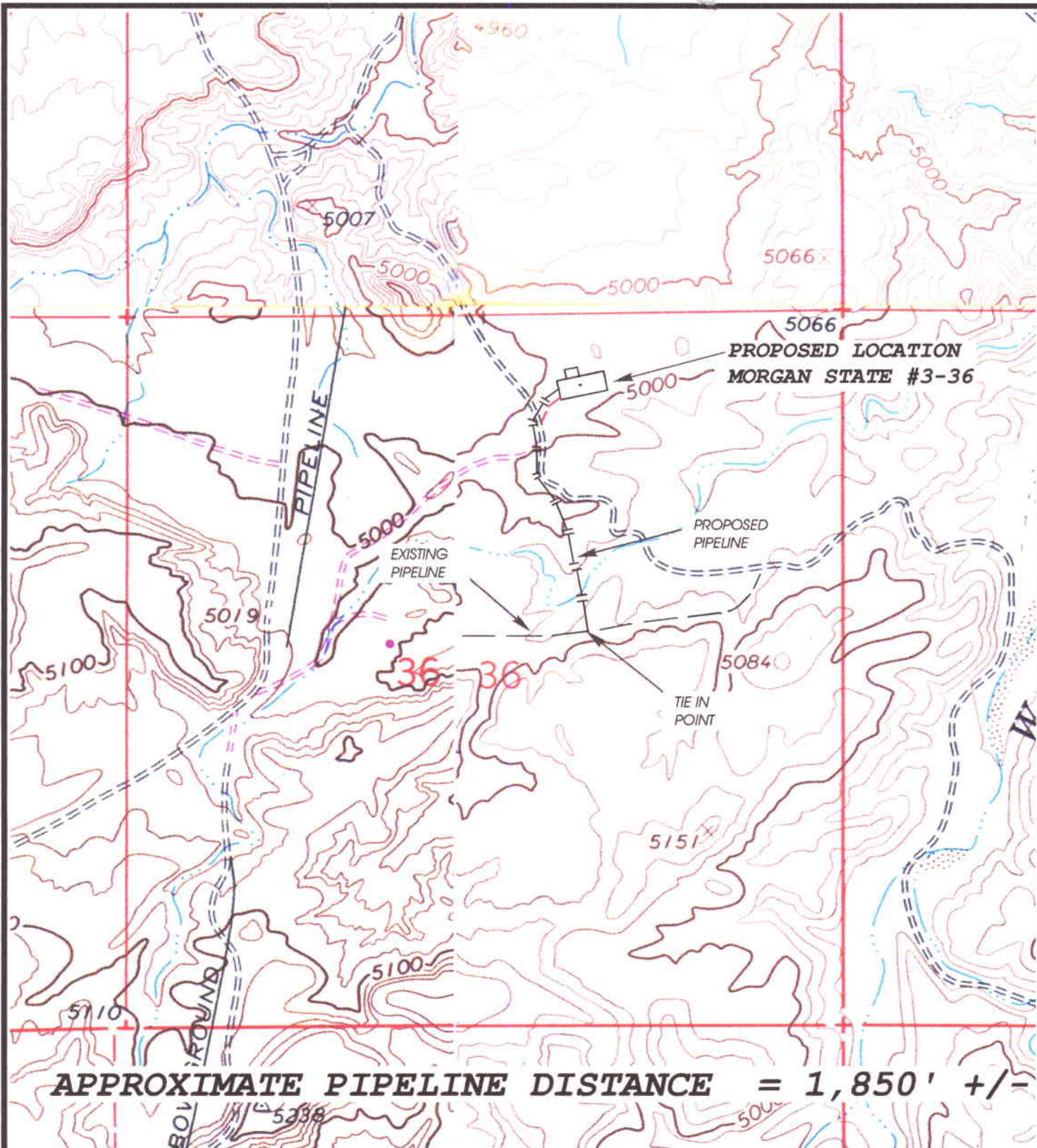


SCALE: 1" = 2000'

COASTAL OIL & GAS CORP.

MORGAN STATE #3-36
 SECTION 36, T9S, R21E, S.L.B.&M.
 521' FNL 1940' FEL
 T O P O M A P " C "

DATE: 1-4-96
 Drawn by: D.R.B.



TOPOGRAPHIC
MAP "D"

UELS

----- Existing Pipeline
 HHHHHHHH Proposed Pipeline



COASTAL OIL & GAS CORP.

MORGAN STATE #3-36
 SECTION 36, T9S, R21E, S.L.B.&M.

DATE: 1-4-96

Drawn by: D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
 85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

(3)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
CEMENTING OPERATIONS

WELL NAME: MORGAN STATE 3-36 API NO: 43-047-32589

QTR/QTR: NW/NE SECTION: 36 TOWNSHIP: 98 RANGE 21E

COMPANY NAME: C.O.B.C. COMPANY MAN CHARLIE WILLARD

INSPECTOR: DAVID W. HACKFORD DATE: 10/1/96

CASING INFORMATION: SURFACE CASING: YES

SIZE: 3 5/8" GRADE: J-55 32LB HOLE SIZE: 12 1/4 DEPTH: 2525

PIPE CENTRALIZED: SHOE JT. 2ND JT. THEN EVERY FOURTH JT. 15
TOTAL

CEMENTING COMPANY: BOHLUMBERGER DOWELL

CEMENTING STAGES: SINGLE

SLURRY INFORMATION:

1. CLASS: G ADDITIVES: 2% D20 (GEL), 10 LBS. PER BX
COALITE (LOSS CIRC.) 1/4 LB. PER BX D29 (LOSS CIRC.) 2% D46
(ANTI-FOAM)

LEAD: 501 BAGS TAIL: 600 BAGS 2% DACL "G"
35-65 POZ CLASS G 1/4 LB PER BX FLOEAL

2. SLURRY WEIGHT LBS. PER GALLON:

LEAD: 12.2 PPG 2.09 YIELD TAIL: 15.8 PPG 1.15 YIELD

3. WATER (GAL/BX)

LEAD: 10.2 TAIL: 4.97

CEMENT TO SURFACE: NO LOST RETURNS: YES

1 INCH INFORMATION: WEIGHT: 15.8 CEMENT TO SURFACE: YES

FEET: 100 BX: 100 CLASS: G DACL: 2 RETURNS: YES

ADDITIONAL COMMENTS: PUMPED 100% EXCESS. PLUG BUMPED AT 5:12
PM. WATCHED CEMENT LEVEL FOR 15 MINUTES AFTER COMPLETION OF TOP
JOB. CEMENT DID NOT FALL.



State of Utah
Division of Oil, Gas & Mining (OGM)

**ON-SITE PREDRILL EVALUATION AND REVIEW
FOR
APPLICATION FOR PERMIT TO DRILL (APD)**

OPERATOR:

COASTAL OIL & GAS

WELL NO:

MORGAN STATE 3-36

LEASE NO:

ML - 22265

API No:

43-047-32589

LEASE TYPE:

State ☒

Fee ☐

PROPOSED LOCATION

1/4/4:

NW NE

SECTION:

36

TOWNSHIP:

9 S

RANGE:

21 E

COUNTY:

UINTAH

FIELD:

NATURAL BUTTES

SURFACE:

521 FNL 1940 FEL

BOTTOM HOLE:

SAME AS ABOVE

GPS COORDINATES:

_____ E _____ N

SURFACE OWNER:

STATE OF UTAH

SURFACE AGREEMENT:

Yes ☒

No ☐

CONFIDENTIAL:

Yes ☐

No ☐

LOCATING AND SITING:

☐

UAC R649-2-3.

Unit

☒

UAC R649-3-2. General

☐

UAC R649-3-3. Exception

☐

UCA 40-6-6. Drilling Unit

--

Cause No.

DRILLING PROGRAM:

The following information is included in the Application for Permit to Drill submitted.

1. Surface Formation and Estimated Tops/Geologic Markers
2. Estimated Depths and Names of Anticipated Water, Oil, Gas or other Mineral Bearing Formations

(All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.)
3. Well Control Equipment & Testing Procedures
4. Proposed Casing and Cementing Program
5. Mud Program, Circulating Medium, and Monitoring equipment
6. Coring, Testing, and Logging Program
7. Expected Bottom Hole Pressures and any anticipated Abnormal Pressures, Temperatures or Potential Hazards such as hydrogen sulfide, expectations and contingency plans for mitigating identified hazards
8. Any other information relative to the proposed operation.

Onsite Participants:

PAUL BRASHIERS AND SHIELA BRENNER (COGC), ROBERT KAY (UINTAH ENGINEERING AND LAND SURVEY), BILL SIERSMA (COLORADO INTERSTATE GAS CO.), HARLEY JACKSON (JACKSON CONSTRUCTION), JIM JUSTICE (J WEST), DAVID HACKFORD (DOGM).

Regional Setting/Topography:

SEMI-ARID DESERT HABITAT. PROPOSED LOCATION IS IN A SHALLOW SADDLE ON A RIDGE RUNNING EAST AND WEST, SLOPING GRADUALLY NORTH AND SHARPLY SOUTH INTO A 100' DEEP GULLY. ROCKY SPIRES CROPPING OUT OF THE TOP OF THE RIDGE 800' EAST OF SITE.

SURFACE USE PLAN:

Current Surface Use: DOMESTIC LIVESTOCK AND WILDLIFE GRAZING.

Proposed Surface Disturbance: LOCATION WILL BE 325' BY 235'.

1. Existing Roads A DIRT OILFIELD ROAD IS 150' FROM SITE. THE NATURAL BUTTES FIELD IS CRISSCROSSED WITH DIRT ROADS.
2. Planned Access Roads - include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards 150' OF NEW ROAD WILL BE REQUIRED.
3. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well SEE ATTACHED MAP FROM THE GIS DATABASE.
4. Location of Production Facilities and Pipelines PRODUCTION FACILITIES WILL BE ON LOCATION.
5. Location and Type of Water Supply (include Division of Water Rights approval or identifying number) WATER WILL BE SUPPLIED BY TRUCK TO THE LOCATION WHILE DRILLING OPERATIONS ARE UNDERWAY.
6. Source of Construction Material MATERIALS WILL BE BORROWED FROM LOCATION SPOIL.
7. Waste Management Plan. The plan submitted as part of the APD is adequate for This location
8. Ancillary Facilities NONE WILL BE REQUIRED.
9. Well Site Layout SEE ATTACHED PLAT.

10. Surface Restoration Plans AS REQUIRED BY STATE LANDS.

ENVIRONMENTAL PARAMETERS:

Affected Floodplain and/or Wetlands:

A 404 dredge and fill permit may be required if this site is in or adjacent to a wetland or other established drainage or floodplain. (Contact the Army Corps of Engineers if there are concerns of this nature) NO

Flora/Fauna:

Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location VEGETATION COVER CONSISTS OF SHADSCALE COMMUNITY SPECIES. PREDOMINATELY GREASEWOOD, CHEATGRASS AND FOURWING SALTBRUSH. ANTELOPE, COYOTE, RABBIT, SMALL BIRDS, RAPTORS, LIZARDS AND OTHER SMALL REPTILES.

SURFACE GEOLOGY

Soil Type and Characteristics: LIGHT BROWN SAND WITH SOME CLAY LOAM.

Surface Formation & Characteristics: UINTAH FORMATION, SOUTH FLANK OF UINTAH MOUNTAINS.

Erosion/Sedimentation/Stability: MINOR EROSION, MINOR SEDIMENTATION, NO STABILITY PROBLEMS ANTICIPATED.

Paleontological Potential Observed: NONE OBSERVED.

RESERVE PIT

Characteristics: 100' BY 100' AND 10' DEEP.

Lining (Site ranking form attached): A 12 MIL LINER WILL BE REQUIRED.

OTHER OBSERVATIONS

Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?): AN ARCHAEOLOGY SURVEY HAS BEEN COMPLETED BY METCALF ARCHAEOLOGICAL CONSULTANTS, INC.

Comments: PRE-SITE WAS PERFORMED ON A COLD DAY WITH 4' SNOW COVER.

DAVID W. HACKFORD

OGM Representative

1/30/96 9:00 AM

Date and Time

STATEMENTS OF BASIS

OGM Review of Application for Permit to Drill (APD)

Company: COASTAL OIL & GAS

Well Name: MORGAN STATE 3-36

ENGINEERING/LOCATING and SITING:

The proposed location meets the location and siting requirements of R649-3-2.

The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and monitoring/contingency plans are adequate.

Signature: F. R. Matthews

Date: 02/08/96

GEOLOGY/GROUND WATER:

The base of moderately saline water is at a depth of approximately 2500 feet. The proposed casing and cement program will adequately protect any water encountered.

Signature: D. Jarvis

Date: 2/8/96

SURFACE:

THE PRE-SITE INSPECTION OF THE SURFACE HAS BEEN PERFORMED BY FIELD PERSONNEL. ALL APPLICABLE MANAGEMENT AGENCIES AND LAND OWNERS HAVE BEEN NOTIFIED AND THEIR CONCERNS ACCOMMODATED WHERE REASONABLE AND POSSIBLE.

Signature: DAVID W. HACKFORD

Date: 1/31/96

STIPULATIONS for APD Approval:

1. A 12 MIL PIT LINER WILL BE REQUIRED IN RESERVE PIT.
2. RESERVE PIT SHALL BE CONSTRUCTED ON NORTHWEST SIDE OF LOCATION.
3. NO OTHER ACCESS ROADS TO BE DEVELOPED WITHOUT APPROVAL BY STATE LANDS.
4. ANY CHANGES TO BE APPROVED BY DOGM.

ATTACHMENTS:

1. PHOTOGRAPHS OF SITE WILL BE PUT ON FILE.

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

Site-Specific Factors	Ranking Score	Final Ranking Score
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	0 5 10 15 20	0
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	0 2 10 15 20	0
Distance to Nearest Municipal Well (feet) >5280 1320 to 5280 500 to 1320 <500	0 5 10 20	0
Distance to Other Wells (feet) >1320 300 to 1320 <300	0 10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	0 10 20	20

Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15 20	5
Drill Cuttings Normal Rock Salt or detrimental	0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	0 5 10	0
Affected Populations <10 10 to 30 30 to 50 >50	0 6 8 10	0
Presence of Nearby Utility Conduits Not Present Unknown Present	0 10 15	0

Final Score	25
--------------------	-----------

The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

Level I Sensitivity: For scores totaling ≥ 20
Level II Sensitivity: For scores totaling 15 to 19
Level III Sensitivity: For scores totaling < 15

Containment Requirements According to Sensitivity Level

Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.

Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.

Level III: No specific lining requirements.

OTHER GUIDELINES FOR PITS

1. Unlined pits shall not be constructed on areas of fill materials.
2. A pit shall not be constructed in a drainages or floodplain of flowing or intermittent streams.
3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.
4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.
5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: COASTAL OIL & GAS CORP	Well Name: MORGAN STATE 3-36
Project ID: 43-047-32589	Location: SEC.36 - T09S - R21E

Design Parameters:

Mud weight (10.00 ppg) : 0.519 psi/ft
 Shut in surface pressure : 3950 psi
 Internal gradient (burst) : 0.101 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)		Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost	
1	9,450	5.500	17.00	N-80	LT&C	9,450	4.767		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	4909	6280	1.279	4909	7740	1.58	160.65	348	2.17 J

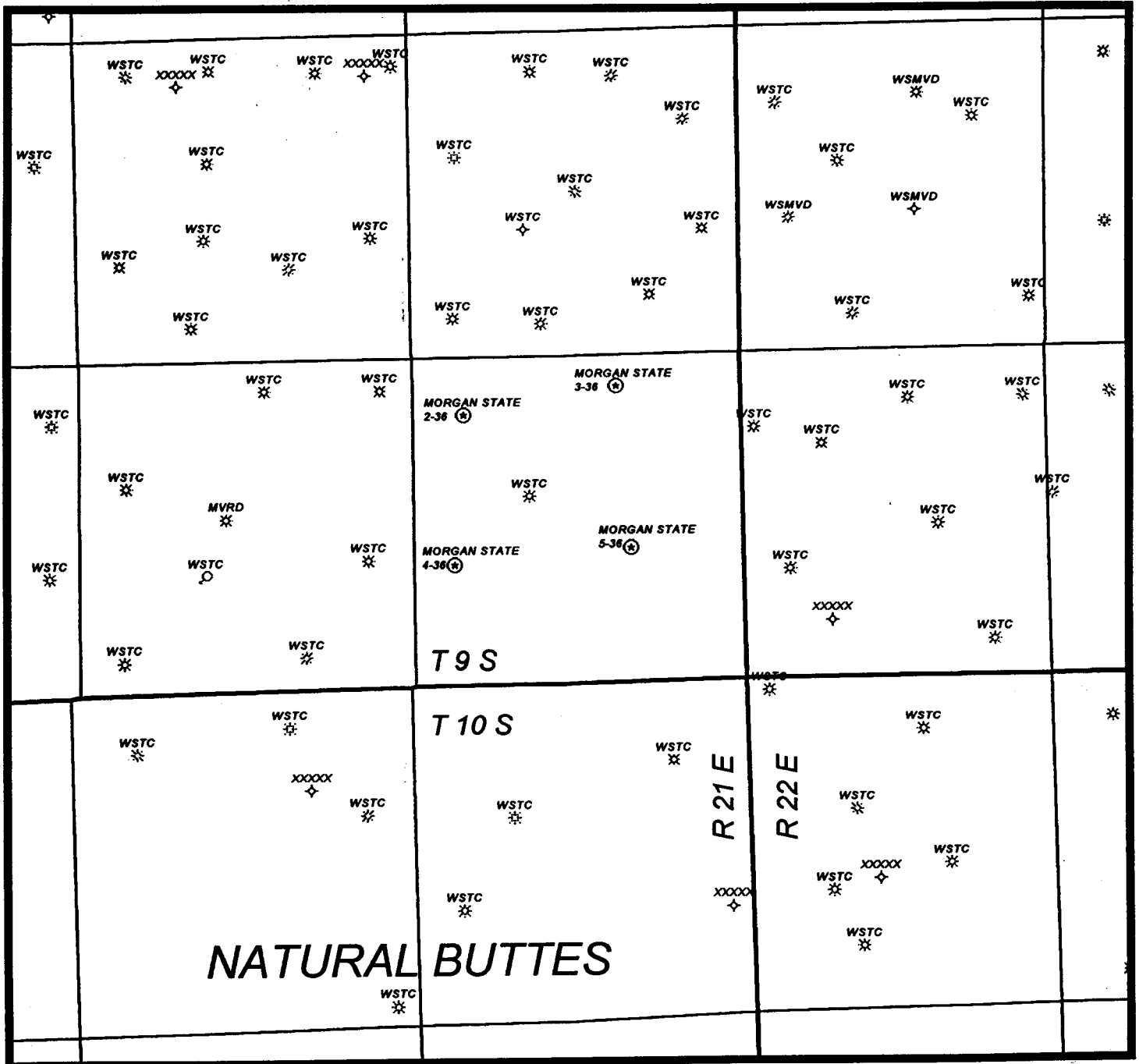
Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 02-08-1996
 Remarks :

Minimum segment length for the 9,450 foot well is 1,500 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 140°F (Surface 74°F, BHT 206°F & temp. gradient 1.400°/100 ft.)
 String type: Production
 The mud gradient and bottom hole pressures (for burst) are 0.519 psi/ft and 4,909 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)

$$\begin{aligned}
 &0.22 \text{ psi/ft} \times 9450 = 2079 \text{ psi} \\
 &\text{Burst } 4909 - 2079 = 2830 \text{ psi}
 \end{aligned}$$

COASTAL OIL & GAS
NATURAL BUTTES DEVELOPMENT
SEC. 36, T9S, R21E, UINTAH CO.
UAC 649-3-2 & R649-3-3



STATE SPACING
UAC R649-3-2 R649-3-3

PREPARED:
DATE: 1/16/96

Coastal Co. 4625

Morgan State 3-36

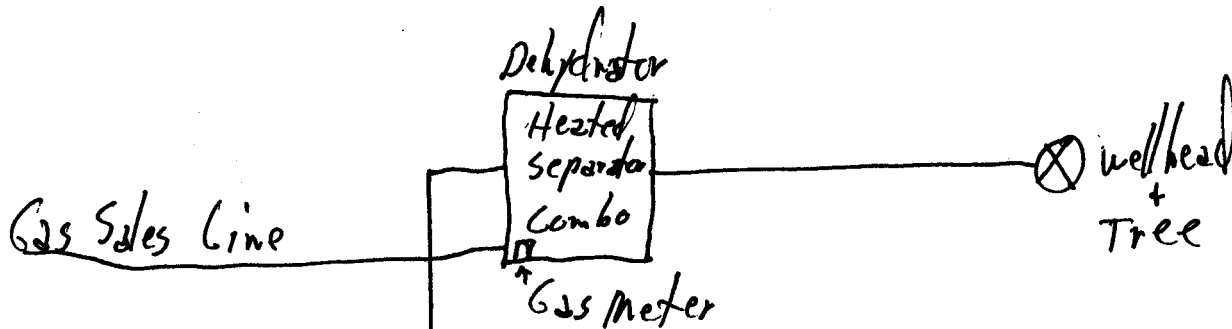
43-047-32589

T. 9S, R. 21E Sec. 36

↑
North

Reserve Pit

Top
Soil





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

February 9, 1996

Coastal Oil & Gas Corporation
P.O. Box 749
Denver, Colorado 80201-0749

Re: Morgan State #3-36 Well, 521' FNL, 1940' FEL, NW NE, Sec. 36, T. 9 S.,
R. 21 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32589.

Sincerely,

R. J. Pirth

Associate Director

lwp

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD

Operator: Coastal Oil & Gas Corporation
Well Name & Number: Morgan State #3-36
API Number: 43-047-32589
Lease: ML-22265
Location: NW NE Sec. 36 T. 9 S. R. 21 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. On-site Predrill Evaluation and Review

Compliance with all requirements and stipulations developed during the onsite evaluation and review.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

5. Lease Designation and Serial Number:

ML-22265

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

6. If Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

1. Type of Well:

OIL ☐ GAS ☒ OTHER:

8. Well Name and Number:

Morgan State #3-36

2. Name of Operator:

Coastal Oil & Gas Corporation

9. API Well Number:

43-047-32589

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

10. Field and Pool, or Wildcat:

Natural Buttes Field

4. Location of Well

Footages: 521' FNL & 1940' FEL

County: Uintah

QQ, Sec., T., R., M.: NW/NE Section 36-T9S-R21E

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input checked="" type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____ Upon Approval _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of work completion _____

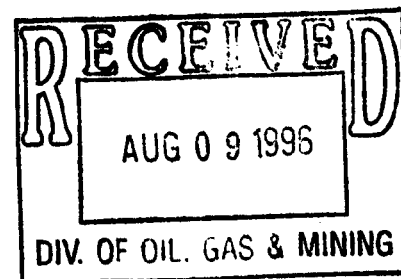
Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

9450

Operator requests permission to change pressure control equipment to 3,000 psi Shaffer 11" annular preventer, 11" double gate hydraulic BOP and change to an 11" 3,000# wellhead as the maximum BHP is 3,780 psi (0.40 psi/ft.) and maximum anticipated surface pressure is 1,701 psi (gas gradient - 0.22 psi/ft.), and anticipated mud weight is 9.0 ppg with the possibility of 10.0 ppg prior to running casing.



13.

Name & Signature:

Sheila Bremer

Sheila Bremer

Title Environmental & Safety Analyst

Date 08/08/96

(This space for State use only)

J. Matthews

Petroleum Engineer

8/9/96

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: COASTAL OIL & GAS

Well Name: MORGAN STATE 3-36

Api No. 43-047-32589

Section 36 Township 9S Range 21E County UINTAH

Drilling Contractor CAZA

Rig #: 24

SPUDDDED:

Date: 9/21/96

Time: _____

How: DRY HOLE

Drilling will commence:_____

Reported by: DOUG HACKFORD

Telephone #: _____

Date: 9/26/96 Signed: JLT

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM – FORM 6

OPERATOR Coastal Oil & Gas Corporation
ADDRESS P.O. Box 749
Denver, CO 80201-0749

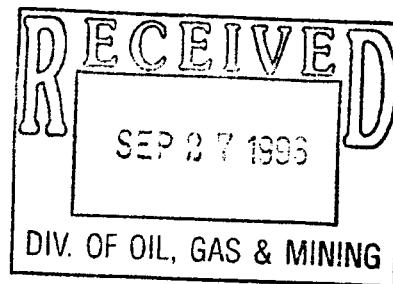
OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12002	43-047-32589	Morgan State #3-36	NWNE	36	9S	21E	Uintah	9/24/96	9/24/96
WELL 1 COMMENTS: <i>Entity added 9-27-96. Lee</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A – Establish new entity for new well (single well only)
- B – Add new well to existing entity (group or unit well)
- C – Re-assign well from one existing entity to another existing entity
- D – Re-assign well from one existing entity to a new entity
- E – Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.



Spida Bremer
Signature

Environmental & Safety Analyst 09/24/96
Title Date

Phone No. (303) 573-4455

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

7. Unit Agreement Name:
N/A

8. Well Name and Number:
Morgan State #3-36

9. API Well Number:
43-047-32589

10. Field and Pool, or Wildcat:
Natural Buttes Field

County: **Uintah**
State: **Utah**

NOTICE OF INTENT
(Submit In Duplicate)

<input type="checkbox"/> Abandon	<input type="checkbox"/> New Construction
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<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Perforate
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other	

Approximate date work will start

SUBSEQUENT REPORT
(Submit Original Form Only)

<input type="checkbox"/> Abandon *	<input type="checkbox"/> New Construction
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<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Perforate
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat or Acidize	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other Spud Notice	

Date of work completion

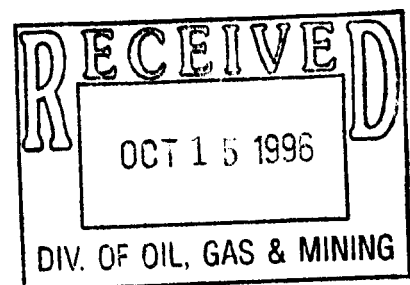
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- * Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

9/25/96: Drill 17½" hole, set 13-3/8" conductor casing, and cement with 2 yards Redi-mix concrete. Drill rat and mouse hole.

9/27/96: MIRU Caza Rig #24. Spud at 11:00 p.m. Drlg ahead.



Name & Signature:

Title Environmental & Safety Analyst

Date 10/10/96

(This space for State use only)

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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ML-22265

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N/A

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N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat:

Natural Buttes Field

1. Type of Well:

OIL ☐GAS ☒

OTHER:

2. Name of Operator:

Coastal Oil & Gas Corporation

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages:

521' FNL & 1940' FEL

County: Uintah

QQ, Sec., T., R., M.:

NW/NE Section 36-T9S-R21E

State: Utah

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| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
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| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Drilling Operations</u> | |

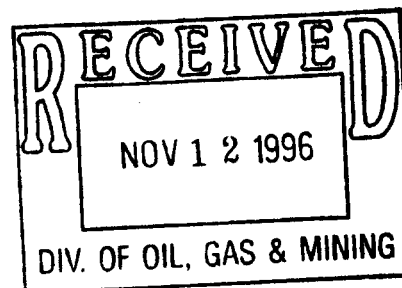
Date of work completion 11/2/96

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological history for drilling operations performed on the subject well.



13.

Name & Signature: _____

Title Sheila BremerEnvironmental & Safety Analyst

Date

11/08/96

(This space for State use only)

PERC**WELL CHRONOLOGICAL REPORT****WELL NAME:** MORGAN STATE 3-36**FIELD NAME:** NATURAL BUTTES**COUNTY:** UINTAH**AFE#:** 26524**OPERATOR:** COASTAL OIL & GAS USA, L.**SPUD DATE:** 9/27/96**WI%:** 100.00**DATE:** 9/17/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** BUILDING LOCATION**HOURS:** 0.00**PROGRESS:** 0 ft**MW:** 0.0**DAILY COST:** \$7,850.00**CUMM COST :** \$7,850.00**ACTIVITY LAST
24 HOURS:**

BUILD LOCATION. "DRIL & SHOT"

DATE: 9/22/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** WO RAT HOLE DIGGER**HOURS:** 0.00**PROGRESS:** 0 ft**MW:** 0.0**DAILY COST:** \$6,748.00**CUMM COST :** \$14,598.00**ACTIVITY LAST
24 HOURS:**

J. WEST PUT INPIT LINER & PUT UP FENCE. PUT 2 LOADS OF WATER ON PIT LINER

DATE: 9/23/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** PREP TO MI RAT HOLE MACHINE THIS PM**HOURS:** 0.00**PROGRESS:** 0 ft**MW:** 0.0**DAILY COST:** \$550.00**CUMM COST :** \$15,148.00**ACTIVITY LAST
24 HOURS:**

TRIP TO LOC & CHECK. NO COND SET. LINE UP RAT HOLE MACHINE TO GET COND PIPE. DRILL RAT & MOUSE HOLES.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/24/96

DEPTH: 0

ACTIVITY AT REPORT TIME: DRLG 17 1/2" HOLE

HOURS: 0.00 PROGRESS: 0 ft

MW: 0.0 DAILY COST: \$12,169.80 CUMM COST : \$27,317.80

ACTIVITY LAST
24 HOURS:

MOVING DRLG RIG. DRILLING 17 1/2" COND HOLE.

DATE: 9/25/96

DEPTH: 40

ACTIVITY AT REPORT TIME: PREP TO SET CELLAR & START SETTING IN

HOURS: 0.00 PROGRESS: 0 ft

MW: 0.0 DAILY COST: \$21,894.40 CUMM COST : \$49,212.20

ACTIVITY LAST
24 HOURS:

FIN 17 1/2" HOLE & SET 13 3/8" COND-CSG. CEMENT W/2 YARDS REDI-MIX CONCRETE. DRILL RAT & MOUSE HOLES. PREP TO SET CELLAR & SET IN RIG

DATE: 9/26/96

DEPTH: 40

ACTIVITY AT REPORT TIME: PREP CENT - SET IN DRLG RIG

HOURS: 0.00 PROGRESS: 0 ft

MW: 0.0 DAILY COST: \$13,370.00 CUMM COST : \$62,582.20

ACTIVITY LAST
24 HOURS:

SET CELLAR & START SETTING IN CAZA DRLG RIG. NO CRANE, 2 TRUCKS SET IN & PUT TOGETHER SUB. SDFN. CREWS WORKED 8 HRS.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/27/96

DEPTH: 40

ACTIVITY AT REPORT TIME: RU

HOURS: 0.00 PROGRESS: 0 ft

MW: 0.0 DAILY COST: \$10,681.00 CUMM COST : \$73,263.20

ACTIVITY LAST
24 HOURS:

SETTING IN & RU CAZA DRLG RIG

DATE: 9/28/96

DEPTH: 160

ACTIVITY AT REPORT TIME: DRLG

HOURS: 6.00 PROGRESS: 120 ft

MW: 0.0 DAILY COST: \$26,955.50 CUMM COST : \$100,218.70

ACTIVITY LAST
24 HOURS:

RU CAZA RIG #24 DRLG 40-160'

DATE: 9/29/96

DEPTH: 1526

ACTIVITY AT REPORT TIME: DRLG AIR 2266 CFM

HOURS: 19.50 PROGRESS: 1366 ft

MW: 0.0 DAILY COST: \$36,674.00 CUMM COST : \$136,892.70

ACTIVITY LAST
24 HOURS:

DRLG CIRC & SURVEY DRLG SURVEY RIG REPAIR. CHANGE OIL IN DRAWWORKS DRLG
SURVEY DRLG CHANGE TO 4 1/2" ROT RUBBER DRLG SURVEY DRLG



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/30/96

DEPTH:

1985

ACTIVITY AT REPORT TIME: DRLG

HOURS:

16.00

PROGRESS: 459 ft

MW:

0.0

DAILY COST: \$13,446.40

CUMM COST : \$150,339.10

ACTIVITY LAST
24 HOURS:

DRLG AIR H2O @ 1600' MIST UP CIRC DRLG POH W/4 STD. REPAIR BLOOIE LINE. TIH DRLG
XO TO AERATED H2O. WASH TO BTM DRLG CIRC & SURVEY DRLG REPAIR RIG (FUEL LINES
LEAKING - SUCKING AIR - MOTORS DIED) DRLG HIT H2O @ 1600'. FM H2O NOT FRESH.

DATE: 10/1/96

DEPTH:

2525

ACTIVITY AT REPORT TIME: CIRC

HOURS:

17.50

PROGRESS: 540 ft

MW:

0.0

DAILY COST: \$14,202.10

CUMM COST : \$164,541.20

ACTIVITY LAST
24 HOURS:

DRLG TO 2237' RIG SERVICE & SURVEY @ 2192' DRLG TO 2525' CIRC FOR SHORT TRIP. FILL
MUD TANKS TOOH TO DC'S. TIH. SLM. NO CORRECTION CIRC FOR CSG.

DATE: 10/2/96

DEPTH:

2525

ACTIVITY AT REPORT TIME: WELD ON WELLHEAD & NU

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$76,986.40

CUMM COST : \$241,527.60

ACTIVITY LAST
24 HOURS:

SURVEY @ 2480' 3 DEGS TOOH & LD 8" DC RU CSG CREW RUN 59 JTS 8 5/8" CSG 2533.1' J55 32#
CIRC CSG & RD CSG CREW CMT SURF PIPE W/DOWELL 501 SXS 35/65 POZ W/CHEM 600 SX "G"
W/CHEM. DID NOT CIRC. RUN 100'-1" & CMT W/80 SX. CIRC THROUGH OUT 1" JOB. WOC - DUMP
MUD/WTR PITS CUT OFF 8 5/8" & LD. NOTE: CMT DROPPED 56 1/2' WELD ON WH & START NU BOP
STACK



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/3/96

DEPTH:

2525

ACTIVITY AT REPORT TIME: DRLG CMT - SURF SHOE JNT.

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$13,728.00

CUMM COST :

\$255,255.60

ACTIVITY LAST
24 HOURS:

NU BOP STACK & RU FLARE LINE CMT SURF CSG W/REDI MIX RU TESTER. TEST AS FOLLOWS:
BOP 3000 PSI, HYDRIL 1500 PSI, KELLY 3000 PSI, CHOKE MANIFOLD 3000 PSI, 8 5/8" CSG 2750 PSI FIN
BLOW LINES & HOOKUP DEGASSER PU STC F45H BIT & TIH W/21-6 1/4 COLLARS & DP DRLG CMT &
FLOAT

DATE: 10/4/96

DEPTH:

3128

ACTIVITY AT REPORT TIME: MIST DRLG @ 3128'

HOURS:

14.50

PROGRESS: 598 ft

MW:

8.3

DAILY COST: \$25,894.00

CUMM COST :

\$281,149.60

ACTIVITY LAST
24 HOURS:

DRLG CMT, FLOAT & SHOE JNT TEST CSG TO 2750 PSI DRLG CMT & SHOE TEST CSG
SEAT/FORM INTEGRITY. NOTE: HELD TO 11.34 EMW, BORKE DWN @ 11.72 EMW, HELD @ 10.5 EMW.
BLOW HOLE DRY DRLG 2530-2608' (DUSTING) MIST UP SYSTEM DRLG 2608-3082'. 200 UNITS
CONNECTION GAS SURVEY & RIG SERVICE - FUNCTION TEST BOP DRLG 3082-3128'

DATE: 10/5/96

DEPTH:

4058

ACTIVITY AT REPORT TIME: DRLG @ 4058'

HOURS:

22.00

PROGRESS: 930 ft

MW:

8.4

DAILY COST: \$17,845.30

CUMM COST :

\$298,994.90

ACTIVITY LAST
24 HOURS:

DRLG 3128-3296' SURVEY 3296' 2 1/4 DEG RIG SERVICE DRLG 3296-3670' SURVEY 3626' 3 DEGS
UNLOAD & CIRC HOLE CLEAN DRLG 3670-4058', ROP 42.27'/HR. MIST DRLG. AIR VOLUME 2200 CFM,
FLUID VOLUME 8-10 GPM



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/6/96 DEPTH: 4901 ACTIVITY AT REPORT TIME: DRLG @ 4901' W/AIR MIST
HOURS: 21.00 PROGRESS: 843 ft
MW: 8.4 DAILY COST: \$15,644.00 CUMM COST : \$314,638.90

**ACTIVITY LAST
24 HOURS:**

DRLG 4058-4107' RIG SERVICE. SURVEY @ 4063' 3 1/2 DEG UNLOAD HOLE DRLG 4107-4604'
RIG SERVICE. SURVEY @ 4560' 2 3/4 DEG UNLOAD HOLE DRLG 4604-4901' MIST DRLG W/2200
CFM, 8-10 GPM. SMALL SHOW 4646-4600', 240 UNITS BGG. NOW DRLG W/150 UNITS BGG, 300 UNITS ON
CONN. MAKING WTR. HARD TO UNLOAD AFTER SURVEY. TAKING 1200 PSI

DATE: 10/7/96 DEPTH: 5620 ACTIVITY AT REPORT TIME: AIR/WTR DRLG @ 5620'
HOURS: 19.00 PROGRESS: 719 ft
MW: 8.4 DAILY COST: \$15,923.60 CUMM COST : \$330,562.50

**ACTIVITY LAST
24 HOURS:**

DRLG 4901-5101' CIRC HOLE CLEAN W/AERATED FLD (HOLE STICKY) HOLE UNLOAD ALOT OF
CUTTINGS SURVEY @ 5057' & RIG SERVICE UNLOAD HOLE & CONVER TO MIST DRLG 5101-5559'
HOLE LOADED UP & GOT "STICKY". CONVERTED TO AIR/WTR DRLG 5559-5620' DRLG W/550 CFM
+ 5.7-6.5 BPM @ 400-500 PSI

DATE: 10/8/96 DEPTH: 5637 ACTIVITY AT REPORT TIME: WASH & REAM TO BTM
HOURS: 0.00 PROGRESS: 0 ft
MW: 8.4 DAILY COST: \$30,461.20 CUMM COST : \$361,023.70

**ACTIVITY LAST
24 HOURS:**

DRLG 5620-5628' SURVEY @ 5584' 4 1/4 DEGS & RIG SERVICE UNLOAD HOLE DRLG 5628-5637'
WORK TIGHT & STUCK PIPE CIRC HOLE W/SWEEP TOOH & CIRC BUBBLES OUT TIH W/BIT #3 -
REED HP 53A. HIT FILL & TIGHT HOLE @ 4887' W&R TO BTM. NOTE: HOLE HAS LARGE FORMATION
PIECES COMING UP.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: Uintah

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/9/96

DEPTH:

5637

ACTIVITY AT REPORT TIME: W&R TO BTM W/40+ VIS MUD

HOURS:

0.00

PROGRESS: 0 ft

MW:

8.8

DAILY COST: \$27,277.80

CUMM COST :

\$388,301.50

ACTIVITY LAST
24 HOURS:

W&R TO BTM W/30 VIS FLUID & 38 VIS SWEEPS WORK STUCK PIPE & TOOH TO 4400' CLEAN MUD
TANKS. MIX MUD W/FRESH WTR TIH TO 5007'. CIRC HOLE W/40 VIS MUD W&R 1 JNT DWN. MIX
MUD & CIRC HOLE (SMALL PCS, DRLG SOLIDS @ SHAKER) W&R 5 JNTS (RECEIVING LARGE 1" PCS @
SHAKER) W&R @ 5537'

DATE: 10/10/96

DEPTH:

5975

ACTIVITY AT REPORT TIME: DRLG

HOURS:

20.75

PROGRESS: 338 ft

MW:

9.5

DAILY COST: \$11,744.70

CUMM COST :

\$400,046.20

ACTIVITY LAST
24 HOURS:

W&R 5537-5637' DRLG 5637-5688' SURVEY @ 5644' 1 DEG RIG SERVICE & CHECK BOP DRLG
5688-5940' SURVEY @ 5896' 2 DEG DRLG 5940-5975'

DATE: 10/11/96

DEPTH:

6165

ACTIVITY AT REPORT TIME: DRLG

HOURS:

14.00

PROGRESS: 190 ft

MW:

9.3

DAILY COST: \$13,079.70

CUMM COST :

\$413,125.90

ACTIVITY LAST
24 HOURS:

DRLG 5975-6000' RIG SERVICE & CHECK BOP'S DRLG 6000-6134' TRIP FOR MOTOR (PDS) DRLG
6134-6165'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/12/96

DEPTH:

6583

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS:

22.25

PROGRESS: 418 ft

MW:

9.3

DAILY COST: \$20,125.20

CUMM COST :

\$433,251.10

ACTIVITY LAST
24 HOURS:

DRLG 6165-6179'
6179-6583'

SURVEY @ 6135' 1 1/2 DEGS. RIG SERVICE

RIG REPAIR (MUD PMPS)

DRLG

DATE: 10/13/96

DEPTH:

6862

ACTIVITY AT REPORT TIME: POOH F/BIT

HOURS:

20.00

PROGRESS: 279 ft

MW:

9.4

DAILY COST: \$14,215.00

CUMM COST :

\$447,466.10

ACTIVITY LAST
24 HOURS:

DRLG 6583-6614' W/MM
UP POOH FOR/BIT

RIG SERVICE

SURVEY @ 6514' 2 3/4 DEGS

DRLG 6614-6862'

CIRC BTMS

DATE: 10/14/96

DEPTH:

7065

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS:

14.50

PROGRESS: 203 ft

MW:

7.4

DAILY COST: \$21,107.80

CUMM COST :

\$468,573.90

ACTIVITY LAST
24 HOURS:

POOH F/BIT

RIG SERVICE

TIH

BREAK CIRC

TIH

W&R 6742-6862'

DRLG 6862-7065'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/15/96

DEPTH: 7295

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 22.50 PROGRESS: 230 ft

MW: 9.5 DAILY COST: \$12,526.80 CUMM COST : \$481,100.70

ACTIVITY LAST
24 HOURS:

DRLG 7065-7109' RIG SERVICE DRLG 7109-7266' SURVEY & RIG SERVICE DRLG 7266-7295

DATE: 10/16/96

DEPTH: 7633

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 23.50 PROGRESS: 338 ft

MW: 9.4 DAILY COST: \$13,917.20 CUMM COST : \$495,017.90

ACTIVITY LAST
24 HOURS:

DRLG 7295-7329' RIG SERVICE DRLG 7329-7633'

DATE: 10/17/96

DEPTH: 7651

ACTIVITY AT REPORT TIME: LOGGING

HOURS: 3.00 PROGRESS: 18 ft

MW: 9.5 DAILY COST: \$14,965.50 CUMM COST : \$509,983.40

ACTIVITY LAST
24 HOURS:

DRLG 7633-7651' POOH F/BIT LD TOOLS. WO SCHLUMBERGER & RU TO LOG LOGGING
W/SCHLUMBERGER. RAN AIT/LDT/CNL & GR. LOG TD 7652'. MAX TEMP 166 DEGS. 2ND RUN MSCT-GR



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/18/96

DEPTH:

7786

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS:

6.50

PROGRESS: 135 ft

MW:

9.3

DAILY COST: \$36,642.10

CUMM COST :

\$546,625.50

**ACTIVITY LAST
24 HOURS:**

LOGGING W/SCHLUMBERGER (SIDE WALL CORES) TIH CUT DRLG LINE TIH TO 4800' CIRC
BTMS UP TIH TO 7591' W&R 7591-7651' DRLG 7651-7786'

DATE: 10/19/96

DEPTH:

8146

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS:

24.00

PROGRESS: 360 ft

MW:

9.5

DAILY COST: \$10,582.00

CUMM COST :

\$557,207.50

**ACTIVITY LAST
24 HOURS:**

DRLG 7786-8146'

DATE: 10/20/96

DEPTH:

8475

ACTIVITY AT REPORT TIME: DRLG W/PDS MUD MOTOR

HOURS:

22.50

PROGRESS: 329 ft

MW:

9.8

DAILY COST: \$16,752.00

CUMM COST :

\$573,959.50

**ACTIVITY LAST
24 HOURS:**

SURVEY & RIG SERVICE DRLG 8146-8475'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/21/96

DEPTH: 8747

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 23.00 PROGRESS: 272 ft

MW: 11.1 DAILY COST: \$13,545.00 CUMM COST : \$587,504.50

ACTIVITY LAST
24 HOURS:

DR;G8475-8610' SURVEY @ 8610' & RIG SERVICE DRLG 8610-8747'

DATE: 10/22/96

DEPTH: 8850

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 11.50 PROGRESS: 103 ft

MW: 11.5 DAILY COST: \$25,857.00 CUMM COST : \$613,361.50

ACTIVITY LAST
24 HOURS:

DRLG 8747-8766' POOH & CHANGE MOTORS RIG SERVICE TIH W/BIT #6 BREAK CIRC @ 5511'
TIH TO 8696' WASH 70' TO BTM DRLG 8766-8850'

DATE: 10/23/96

DEPTH: 8967

ACTIVITY AT REPORT TIME: TRIP F/HOLE

HOURS: 12.00 PROGRESS: 117 ft

MW: 11.4 DAILY COST: \$20,594.20 CUMM COST : \$633,955.70

ACTIVITY LAST
24 HOURS:

DRLG 8850-8892' RIG SERVICE DRLG 8892-8967' (LOST 200 PSI) CHECK SURF EQUIP & PMP
FLAGS POOH WET. CLEANED OUT LD MOTOR TIH



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/24/96

DEPTH:

9025

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS:

11.00

PROGRESS: 58 ft

MW:

11.4

DAILY COST: \$27,622.00

CUMM COST :

\$661,577.70

ACTIVITY LAST
24 HOURS:

TIH BREAK CIRC @ 5670' TIH TO BTM DRLG 8967-9014' DROP SURVEY POOH PU MM TIH
TO 8969' WASH 8969-9014' DRLG 9014-9025'

DATE: 10/25/96

DEPTH:

9068

ACTIVITY AT REPORT TIME: TRIP FOR BIT #8

HOURS:

15.50

PROGRESS: 43 ft

MW:

11.5

DAILY COST: \$17,939.10

CUMM COST :

\$679,516.80

ACTIVITY LAST
24 HOURS:

DRLG 9025-9048' RS DRLG 9046-9063'. PMPD SWEEPS OF SAP DRILL-DET WTR & WALNUT) PMP
PILL & PULL ROT HEAD TRIP FOR BIT

DATE: 10/26/96

DEPTH:

9079

ACTIVITY AT REPORT TIME: TIH W/BIT #9 & PDS MOTOR

HOURS:

7.00

PROGRESS: 11 ft

MW:

11.4

DAILY COST: \$12,290.50

CUMM COST :

\$691,807.30

ACTIVITY LAST
24 HOURS:

TEST MOTOR, RIG SERVICE & CHECK BOP TIH W/BIT #8, BREAK CIRC @ 3768' CHECK SURF EQUIP
& PUMP CARBIDE F/100 PSI, PRESS LOSS DRLG 9068-9079' POOH & LD 1 DC W/HOLE CHANGE
BIT, RIG SERVICE & TEST MOTOR TIH



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/27/96

DEPTH:

9094

ACTIVITY AT REPORT TIME: PU DC

HOURS:

11.50

PROGRESS: 22 ft

MW:

11.3

DAILY COST: \$11,630.10

CUMM COST : \$703,437.40

ACTIVITY LAST
24 HOURS:

TIH W/BIT #9. BRIDGE @ 4560' BREAK CIRC & W/R BRIDGE @ 4560' TIH TO 9020' W&R 9020-9072'
(CORR -7 DEG) DRLG 9072-9094' POOH WORK STUCK PIPE (STUCK @ 4560' W/BIT) POOH LD
MOTOR & PU DC'S (25 HRS TOTAL DST)

DATE: 10/28/96

DEPTH:

9235

ACTIVITY AT REPORT TIME: TRIP FOR BIT

HOURS:

15.00

PROGRESS: 141 ft

MW:

11.4

DAILY COST: \$12,954.50

CUMM COST : \$716,391.90

ACTIVITY LAST
24 HOURS:

TIH W/RR BIT #7 W&R 40' TO BTM 9094-9235' CIRC & PMP PILL. PULL ROT HEAD POOH

DATE: 10/29/96

DEPTH:

9400

ACTIVITY AT REPORT TIME: DRLG

HOURS:

17.50

PROGRESS: 165 ft

MW:

11.5

DAILY COST: \$14,926.00

CUMM COST : \$731,317.90

ACTIVITY LAST
24 HOURS:

POOH & CHANGE BIT RS TIH W/BIT #10 BREAK CIRC & WASH 20' TO BTM DRLG 9235-9400'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: Uintah

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/30/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: LOGGING
HOURS: 8.00 PROGRESS: 100 ft
MW: 11.6 DAILY COST: \$13,194.50 CUMM COST : \$744,512.40

ACTIVITY LAST 24 HOURS: DRLG 9400-9456' RS DRLG 9456-9500' CIRC SHORT TRIP 20 STDS CIRC POOH FOR LOGS
(CORR DEPTH 8' SLM) LOGGING W/SCHLUMBERGER AIT-LDT-CNL & GR. LOGGERS TD 9510'

DATE: 10/31/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: LD DRILL PIPE
HOURS: 0.00 PROGRESS: 0 ft
MW: 11.5 DAILY COST: \$37,785.00 CUMM COST : \$782,297.40

ACTIVITY LAST 24 HOURS: LOGGING W/SCHLUMBERGER. ROT SIDEWALL CORES TIH CIRC & COND F/5 1/2" CSG LD DRILL PIPE

DATE: 11/1/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: CLEAN MUD PITS
HOURS: 0.00 PROGRESS: 0 ft
MW: 0.0 DAILY COST: \$171,543.30 CUMM COST : \$953,840.70

ACTIVITY LAST 24 HOURS: LD DP & DC'S PULL WEAR BUSHING & BELL NIPPLE RU WESTATES CASERS & RUN 230 JTS 5 1/2" 17# LT&C N80 & L80 CSG W/HOWCO SHOE & FLOAT (1 SHOE JT) + 65 TURBULATORS F/5100' DWN. TOTAL STRING 9504.67' CIRC & COND F/CMT CMT W/HALLIBURTON. PMPD 5 BBLS WTR, 40 BBLS MUD FLUSH, 5 BBLS WATER. 500 SXS PREMIUM "H" W/16% GEL, .8% HR7, WT 11 PPG, Y 3.8. TAIL W/1730 SXS 50/50 POZ W/2% GEL, .3% VERSASET, 10% SALT, 3#/SX SILICALITE, .7% HALAD 9, .1% HR5. WT 14.2 PPG, Y 1.33. DROP PLUG & DISPL W/18 BBLS MSA ACID & 200 BBLS CLA-FIX WATER. PLUG BUMPED. FLOATS HELD. GOOD RETURNS. 60 BBLS CMT TO SURF. RECIP. CSG. CMT IN PLACE @ 23:22 HRS 10/31/96 SET 5 1/2" SLIPS. CUT OFF. ND BOP'S & NU TBG HEAD & CLEAN MUD PITS.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 3-36

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 11/2/96

DEPTH:

9508

ACTIVITY AT REPORT TIME: RD RT

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$22,133.50

CUMM COST :

\$975,974.20

**ACTIVITY LAST
24 HOURS:**

NIPPLE TBG HEAD & TEST TO 4500 PSI & CLEAN MUD TANKS. RIG RELEASED @ 13:00 11/1/96

DATE: 11/6/96

DEPTH:

9508

ACTIVITY AT REPORT TIME: WO COMPLETION

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$6,610.00

CUMM COST :

\$982,584.20

**ACTIVITY LAST
24 HOURS:**

RU CUTTERS WLS W/MAST TRUCK. RAN GR-CCL-CBL FROM 9422' TO 50' W/1000 PSI ON CSG. GOOD BOND. TOC @ 200'. RD CUTTERS. SDFN.

DATE: 11/7/96

DEPTH:

9508

ACTIVITY AT REPORT TIME:

HOURS:

PROGRESS: ft

MW:

0.0

DAILY COST: \$6,610.00

CUMM COST :

\$989,194.20

**ACTIVITY LAST
24 HOURS:**

NONE REPORTED



CORE LABORATORIES

November 25, 1996

Mr. Bob LaRocque
Coastal Oil & Gas Corp.
600 17th St.
Suite 800-S
Denver, CO 80201

Subject:

*Core Analysis Project
Morgan State #3-36 43-047-32589
Uintah Co., Utah
File Number: 57122-8043*

Dear Mr. LaRocque:

Core Laboratories was requested to analyze core material obtained from the subject well. The following tests were performed and the results are presented in graphical and tabular formats within this report:

1. Rotary Sidewall Analysis

Thank you for the opportunity to perform this study for Coastal. Should you have any questions pertaining to these test results or if we may be of further assistance, please contact us at (307) 265-2731.

Very truly yours,

A handwritten signature in black ink, appearing to read "David A. Foster", written over a horizontal line.

David A. Foster
Core Laboratories

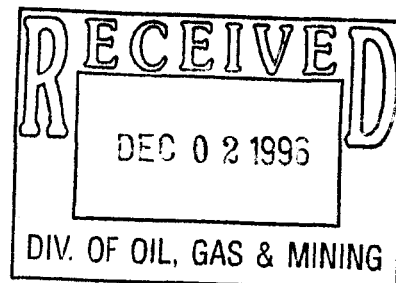


CORE LABORATORIES

CORE ANALYSIS RESULTS

for

**Coastal Oil & Gas Corp.
Morgan State #3-36
Natural Buttes Field
Uintah County, Utah
57122-8043**



CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. #3-36
 Location : NE Sec 36 T9S R21E
 Co,State : Uintah, Utah

Field : Natural Buttes
 Formation : As Noted
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8043
 Date : 19-Oct-1996
 API No. :
 Analysts: DF SS

C O R E A N A L Y S I S R E S U L T S

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) Kair md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL	WATER			
				%	%			
Rotary Sidewalls								
Wasatch Fm								
1	4914.0	0.07	8.9	2.1	43.3	2.70	0.	Sst gry vf gr calc
2	5548.0		10.2	0.0	41.2	2.65	0.	Sst gry vf gr
3	5553.0		10.0	3.2	71.2	2.64	0.	Sst gry f gr
4	5561.0	0.32	8.1	0.0	68.6	2.65	0.	Sst gry f gr
5	5614.0	0.11	9.6	0.0	50.1	2.68	0.	Sst gry vf gr calc
6	5618.0	0.10	10.0	0.0	49.7	2.68	0.	Sst gry vf-f gr calc
7	5622.0	0.08	6.2	0.0	57.0	2.67	0.	Sst gry vf-f gr calc
8	5795.0	0.05	6.8	0.0	57.6	2.70	0.	Sst gry vf-f gr calc
9	7037.0	0.17	8.7	0.0	30.7	2.68	0.	Sst gry f-m gr calc
10	7042.0	0.12	6.6	0.0	59.4	2.68	0.	Sst gry f gr calc
Mesaverde Fm								
11	7367.0		10.0	0.0	22.9	2.66	0.	Sst gry f-m gr calc
12	7372.0	0.22	8.4	0.0	49.1	2.67	0.	Sst gry f gr calc
13	7376.0	0.20	7.8	2.0	54.0	2.68	0.	Sst gry m-c gr calc
14	7414.0	0.21	9.4	0.0	55.0	2.68	0.	Sst gry f-m gr calc
15	7435.0	0.05	7.2	0.0	54.0	2.66	0.	Sst gry vf-f gr
16	7466.0	0.10	9.5	0.0	60.7	2.66	0.	Sst gry vf-f gr
17	7498.0	0.19	10.3	0.0	71.4	2.66	0.	Sst gry f-m gr

Data, Rotaries 1 - 1

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : As Noted

File No.: 57122-8043
Date : 19-Oct-1996

C O R E A N A L Y S I S R E S U L T S

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) Kair md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
18	7508.0	0.22	10.1	0.0	64.5	2.66	0.	Sst gry f-m gr
19	7576.0	0.33	11.1	0.0	60.5	2.66	0.	Sst gry f-m gr
20	7582.0	0.30	10.1	0.0	63.4	2.65	0.	Sst gry f-m gr
21	7606.0	0.09	8.8	3.1	60.7	2.67	0.	Sst gry vf-f gr calc
22	7614.0	0.22	10.9	0.0	65.9	2.68	0.	Sst gry vf-f gr calc
23	7681.0	0.04	9.6	0.0	50.5	2.66	8.	Sst gry vf gr
24	7686.0	0.04	7.6	0.0	53.3	2.67	9.	Sst gry f gr
25	7766.0	0.05	7.7	0.0	60.8	2.67	4.	Sst gry f gr
26	7834.0	0.02	6.0	0.0	46.2	2.67	8.	Sst gry f gr sh lam
27	7839.0	0.05	7.6	1.0	46.7	2.67	14.	Sst gry f gr
28	7978.0	0.05	7.8	1.5	50.1	2.67	9.	Sst gry f gr
29	8213.0	0.03	9.5	1.8	48.9	2.67	14.	Sst gry f gr
30	8220.0	0.06	8.6	1.1	50.0	2.66	9.	Sst gry f gr
31	8379.0	0.02	7.8	0.0	36.7	2.67	18.	Sst gry f gr sl calc
32	8396.0	0.02	7.3	0.0	38.2	2.68	22.	Sst gry f gr sl calc
33	8450.0	0.02	7.0	0.0	43.0	2.68	8.	Sst gry f gr sl calc
34	8521.0		6.8	0.0	37.1	2.70	0.	Sst gry f gr sl calc
35	8526.0	0.02	8.0	1.9	41.9	2.67	14.	Sst gry f gr
36	8562.0	0.02	7.5	2.0	36.2	2.69	30.	Sst gry f gr
37	8584.0	0.02	8.0	1.4	28.8	2.68	32.	Sst gry vf-f gr sh lam
38	8620.0	0.01	5.9	1.6	32.0	2.66	24.	Sst gry vf-f gr
39	8672.0	0.03	7.4	1.8	29.8	2.67	10.	Sst gry vf-f gr
40	8678.0	0.03	8.3	1.2	32.2	2.68	22.	Sst gry vf-f gr
41	8806.0	0.40	5.3	2.1	25.8	2.58	56.	Sst gry f gr carb lam
42	8831.0		2.2	0.0	78.9	2.55	19.	Sst gry f gr sh lam
43	9045.0	<.01	6.2	0.0	45.2	2.68	30.	Sst gry vf gr sh lam
44	9324.0	0.05	10.2	0.0	35.0	2.68	2.	Sst gry vf-f gr
45	9355.0	0.08	10.5	0.0	30.8	2.66	9.	Sst gry f gr
46	9361.0		10.9	0.0	31.5	2.66	4.	Sst gry f gr

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : As Noted

File No.: 57122-8043
Date : 19-Oct-1996

C O R E A N A L Y S I S R E S U L T S

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) K _{air} md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
47	9419.0	0.01	4.6	0.0	43.5	2.58	57.	Sst gry vf-f gr sh
Some samples unsuitable for perm.								

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : WASATCH

File No.: 57122-8043
Date : 19-Oct-1996

TABLE I

SUMMARY OF CORE DATA

ZONE AND CUTOFF DATA		CHARACTERISTICS REMAINING AFTER CUTOFFS			
ZONE:		ZONE:		PERMEABILITY:	
Identification -----	Wasatch	Number of Samples -----	9	Flow Capacity -----	0.9 md-ft
Top Depth -----	4912.0 ft	Thickness Represented -	9.0 ft	Arithmetic Average ----	0.13 md
Bottom Depth -----	7042.0 ft	POROSITY:		Geometric Average ----	0.11 md
Number of Samples -----	9			Harmonic Average -----	0.09 md
DATA TYPE:				Minimum -----	0.05 md
Porosity -----	(HELIUM)			Maximum -----	0.32 md
Permeability -----	(HORIZONTAL) Kair			Median -----	0.10 md
CUTOFFS:		Storage Capacity -----	78.5 ϕ -ft	Standard Dev. (Geom) --	$K \cdot 10^{\pm 0.267}$ md
Porosity (Minimum) -----	0.0 %	Arithmetic Average ----	8.7 %	HETEROGENEITY (Permeability):	
Porosity (Maximum) -----	100.0 %	Minimum -----	6.2 %	Dykstra-Parsons Var. --	0.344
Permeability (Minimum) ---	0.0000 md	Maximum -----	10.2 %	Lorenz Coefficient ----	0.323
Permeability (Maximum) ---	100000. md	Median -----	8.9 %	AVERAGE SATURATIONS (Pore Volume):	
Water Saturation (Maximum)	100.0 %	Standard Deviation ----	± 1.4 %	Oil -----	0.6 %
Oil Saturation (Minimum) -	0.0 %	GRAIN DENSITY:		Water -----	51.8 %
Grain Density (Minimum) --	2.00 gm/cc	Arithmetic Average ----	2.67 gm/cc		
Grain Density (Maximum) --	3.00 gm/cc	Minimum -----	2.64 gm/cc		
Lithology Excluded -----	NONE	Maximum -----	2.70 gm/cc		
		Median -----	2.68 gm/cc		
		Standard Deviation ----	± 0.02 gm/cc		

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : WASATCH

File No.: 57122-8043
Date : 19-Oct-1996

TABLE II

SUMMARY OF CORE DATA

ZONE AND CUTOFF DATA		CHARACTERISTICS REMAINING AFTER CUTOFFS			
ZONE:		ZONE:		PERMEABILITY:	
Identification -----	Mesaverde	Number of Samples -----	37	Flow Capacity -----	3.2 md-ft
Top Depth -----	7367.0 ft	Thickness Represented -	37.0 ft	Arithmetic Average ----	0.10 md
Bottom Depth -----	9420.0 ft			Geometric Average -----	0.05 md
Number of Samples -----	37			Harmonic Average -----	0.03 md
DATA TYPE:		POROSITY:		Minimum -----	0.00 md
Porosity -----	(HELIUM)	Storage Capacity -----	301.9 ϕ -ft	Maximum -----	0.40 md
Permeability -----	(HORIZONTAL) Kair	Arithmetic Average ----	8.2 %	Median -----	0.05 md
		Minimum -----	2.2 %	Standard Dev. (Geom) --	K \cdot 10 ^{-0.492} md
		Maximum -----	11.1 %		
		Median -----	8.0 %		
		Standard Deviation ----	\pm 1.9 %		
CUTOFFS:		GRAIN DENSITY:		HETEROGENEITY (Permeability):	
Porosity (Minimum) -----	0.0 %			Dykstra-Parsons Var. --	0.649
Porosity (Maximum) -----	100.0 %			Lorenz Coefficient ----	0.509
Permeability (Minimum) ---	0.0000 md				
Permeability (Maximum) ---	100000. md			AVERAGE SATURATIONS (Pore Volume):	
Water Saturation (Maximum)	100.0 %	Arithmetic Average ----	2.66 gm/cc	Oil -----	0.6 %
Oil Saturation (Minimum) -	0.0 %	Minimum -----	2.55 gm/cc	Water -----	47.1 %
Grain Density (Minimum) --	2.00 gm/cc	Maximum -----	2.70 gm/cc		
Grain Density (Maximum) --	3.00 gm/cc	Median -----	2.67 gm/cc		
Lithology Excluded -----	NONE	Standard Deviation ----	\pm 0.03 gm/cc		

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. #3-36
 Location : NE Sec 36 T9S R21E
 Co,State : Uintah, Utah

Field : Natural Buttes
 Formation : As Noted
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8043
 Date : 19-Oct-1996
 API No. :
 Analysts: DF SS

C M S - 2 0 0 T E S T D A T A

SAMPLE NUMBER	DEPTH ft	NOB PRESSURE psi	PORE VOLUME cc	POROSITY %	K _∞ md	K _{air} (est) md	b (He) psi	BETA ft(-1)	ALPHA microns
23	7681.0	800.0			0.034	0.040	12.19	5.2701E15	5.64307E5
24	7686.0	800.0			0.025	0.044	51.85	4.4176E14	3.51812E4
25	7766.0	800.0			0.026	0.048	62.17	1.0016E14	8.08876E3
26	7834.0	800.0			0.013	0.022	56.02	2.0531E15	8.08307E4
27	7839.0	800.0			0.027	0.049	58.50	5.0257E14	4.25558E4
28	7978.0	800.0			0.027	0.048	57.18	4.1276E14	3.44669E4
29	8213.0	800.0			0.020	0.027	28.32	4.9121E15	3.05016E5
30	8220.0	800.0			0.031	0.057	58.89	6.8864E13	6.72806E3
31	8379.0	800.0			0.012	0.018	33.63	6.6743E15	2.57364E5
32	8396.0	800.0			0.011	0.020	62.13	2.2071E15	7.73936E4
33	8450.0	800.0			0.012	0.022	62.44	1.9415E15	7.30942E4
35	8526.0	800.0			0.011	0.022	79.71	8.3543E14	2.77306E4
36	8562.0	800.0			0.013	0.016	14.44	1.8467E16	7.88021E5
37	8584.0	800.0			0.010	0.017	61.28	4.5836E15	1.40053E5

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : As Noted

File No.: 57122-8043
Date : 19-Oct-1996

C M S - 2 0 0 T E S T D A T A

SAMPLE NUMBER	DEPTH ft	NOB PRESSURE psi	PORE VOLUME cc	POROSITY %	K _∞ md	K _{air} (est) md	b (He) psi	BETA ft(-1)	ALPHA microns
38	8620.0	800.0			0.010	0.015	36.94	1.2210E16	3.90021E5
39	8672.0	800.0			0.012	0.025	76.50	6.9343E14	2.67094E4
40	8678.0	800.0			0.017	0.032	69.73	4.4629E14	2.34392E4
41	8806.0	800.0			0.358	0.399	6.69	7.0531E10	8.06882E1
43	9045.0	800.0			0.003	0.005	59.58	3.3223E14	2.87480E3
44	9324.0	800.0			0.026	0.052	69.36	6.4391E13	5.37644E3
45	9355.0	800.0			0.042	0.077	56.52	8.0961E12	1.07963E3
47	9419.0	800.0			0.005	0.010	94.84		

CORE MEASUREMENT SYSTEM (CMS-300)

$$\text{Porosity} = \frac{\text{Directly Measured Pore Volume}}{\text{Bulk Volume}} \times 100$$

$$\text{Porosity} = \frac{\text{Helium Injected Into Pore Space By CMS}}{\text{CMS Pore Volume} + \text{Boyle's Law Grain Volume}}$$

NOTE: The second porosity equation corrects for bulk volume reduction as overburden pressure is applied.

k_{∞} = Equivalent, non-reactive, liquid permeability determined by the CMS at up to eight designated net overburden confining stresses. This is an improved flow capacity indicator since gas slippage effects present at low laboratory pore pressure (and not in the reservoir) have been eliminated.

k_{air} = A calculated air permeability approximating historical core analysis permeability data. k_{air} is an optimistic value. Low pore pressures in historical laboratory measurements result in gas slippage not present at reservoir conditions and create artificially high permeability values.

b = A term dependent on (1) pore geometry and (2) type of gas utilized in the permeability measurement that links k_{∞} and k_{air} as follows.

$$k_{\text{air}} = k_{\infty} \left(1 + \frac{b_{\text{air}}}{P_{\text{mean}}} \right)$$

P_{mean} = The mean pore pressure which is equivalent to the average of the upstream and downstream pressure of the core being tested. This value is lower in a typical laboratory determination than in the reservoir.

Beta = Forchheimer inertial term, needed to account for lost flow rate due to gas inertial and/or kinetic effects as gas flows through rock pores.

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
Well : Morgan St. #3-36

Field : Natural Buttes
Formation : As Noted

File No.: 57122-8043
Date : 19-Oct-1996

ANALYTICAL PROCEDURES AND QUALITY ASSURANCE

HANDLING & CLEANING

Core Transportation : Hot Shot
Solvent : Toluene
Extraction Equipment : Dean Stark
Extraction Time : 8 Hours
Drying Equipment : Humidity Oven
Drying Time : 12 Hours
Drying Temperature : 48C(Wet) 63C(Dry)

ANALYSIS

Grain volume measured by Boyle's Law in a matrix cup using He
Bulk volume by Archimedes Principle
Water saturations by Dean Stark
Oil saturations by weight difference in Dean Stark

REMARKS

All samples sent to Dallas, Core Lab.
The first run of sidewalls were unsuitable for the CMS-300.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		5. Lease Designation and Serial Number: ML-22265
2. Name of Operator: Coastal Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name: N/A
3. Address and Telephone Number: P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455		7. Unit Agreement Name: N/A
4. Location of Well Footages: 521' FNL & 1940' FEL QQ, Sec., T., R., M.: NW/NE Section 36-T9S-R21E		8. Well Name and Number: Morgan State #3-36
		9. API Well Number: 43-047-32589
		10. Field and Pool, or Wildcat: Natural Buttes Field
		County: Uintah State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit In Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other Completion Operations | |

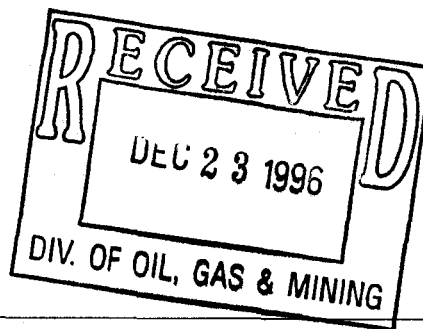
Date of work completion 12/02/96

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological history for completion operations performed on the subject well.



13.

Name & Signature: Sheila Bremer

Sheila Bremer

Title Environmental & Safety Analyst Date 12/19/96

(This space for State use only)

COASTAL OIL & GAS USA, L.P.
CHRONOLOGICAL HISTORY

MORGAN STATE #3-36

Page 1

Natural Buttes Field

Uintah County, UT

11/06/96 RU Cutters WLS w/mast truck. Ran GR-CCL-CBL from 9422' to 50' w/1000 psi on csg. Good bond, TOC @ 200'. RD Cutters. SDFN
 DC: \$6,610 TC: \$6,610

11/08/96 RU Cutters WL, install full opening frac vlv, RIH perf 8 holes, 8803', 8808', 8829', 9224', 9329', 9350', 9355', 9361', w/2½" select fire, disposable gun. after 2 hrs 900 psi, open to pit.

Time	Csg Press	Gas	Water	Choke
5:00	1130	---	15	48/64
6:00	100	---	3	48/64
7:00	100	---	5	48/64
8:00	100	light	0	48/64
9:00	100	light	0	48/64
10:00	100	light	0	48/64
11:00	100	light	0	48/64
12:00	100	light	0	48/64
1:00	100	light	0	48/64
2:00	100	light	0	48/64
3:00	100	light	0	48/64
4:00	100	light	0	48/64
5:00	100	light	0	48/64
6:00	100	light	0	48/64
			23	

1000 MCF/D

11/09/96 FCP 25 psi on 20/64" chk, 100 MCF - dry. SI @ 2pm.
 DC: \$700 TC: \$12,260

11/10/96 SICP 1500 psi. Blew down to 350' in 10 min on 20/64" chk. SI. Build press, no water.
 DC: \$350 TC: \$12,610

11/11-13/96 Well shut in.

1/14/96 RU to frac perfs 8803'-9361' (8 holes) down csg as per program. 1200 gal 15% HCl, 72 bbls pad, and 71,000# 20/40 ramped 3-7 ppg ~~stage~~? Maintain 20 bpm and 300 psi. Screened out 10 bbls shy of 6 ppg stage. Est 30,000# placed. Flow back est 4-6 bpm for 50 min. Returns cleaning up & turning to gas. Pmp into see if csg clean. Pmpd 65 bbls @ 3 bpm. IP/FP 3070/3400 psi. No press increase last 15 bbls. Drop frac baffle ball and RIH w/3½" guns. Perf 8679', 8671', 8666', 8583', 8526', 8521', 8218', 8213'. All shots fired. RU to frac. Pressure up to 6200 psi - no breakdown. Made dummy run WL. PBD @ 8418'/order out CTU. SDFN.

Time	FCP	Sand	BW/hr	Choke
6:00	2200	light	20	18/64
7:00	1100	trace	20	18/64
8:00	750	none	15	18/64
9:00	1100	trace	20	18/64
10:00	1200	trace	25	18/64
11:00	1300	trace	20	18/64
12:00	1450	trace	15	18/64
1:00	1500	light	10	18/64
2:00	1400	trace	10	18/64
3:00	1300	trace	10	18/64
4:00	1200	trace	10	18/64
5:00	1150	trace	5	18/64
6:00	1100	trace	5	18/64
			105	

1.5 MMCF/D

DC: \$11,100

TC: \$23,360

11/15/96

RU CAMCO 1½" CTU. TIH to 8700', circ clean. Close annulus and pressure up to 2200 psi to seat ball. Load hole maintaining ±2200 psi on well. Spot 600 gal 15' HCl from 8680'-8064'. POOH. RD CTU. RU frac crew (DS). Frac 8213'-8679' (8 holes) w/DS low-gel and ±50,000# sand ramped 3-5 ppg. Omitted 6 ppg stage due & high pressures. Max/Avg P=4560'/3900 psi, Max/Avg R=20/18 BPM. ISIP/5/10=3100/2560'/2490 psi. Flush as per program. Drop 3¾" fac ball + RU WL. Test ball 3000 psi, OK. Perf 7366'-7841' w/.4" gun, 11 holes per program. Btm shot misfired. Made 2nd run for 7841'. RU & frac. Frac 7366'-7844' w/DS Low-gel (No CO₂) w/sand camped 2-7 ppg. Flushed early and screened at w/±90,000# placed. Max/Avg P=5000/2900 psi, Max/Avg R>25/24 BPM. Begin flowback @ 1700 psi, 3 BPM @ midnight. Total load today 1361 bbls.

Time	FCP	Sand	BW/hr	Choke
12:00	1700	0	170	28/64
1:00	800	light	170	11/64
2:00	1200	light	70	18/64
3:00	1450	light	60	18/64
4:00	1700	light	40	18/64
5:00	1800	light	30	18/64
6:00	1900	light	30	18/64
			570	

Load 1361

DC: \$79,780

TC: \$103,490

11/16/96

Time	FCP	Sand	BW/hr	Choke
6:00	2200	light	30	18/64
7:00	2100	light	30	18/64
8:00	1900	none	30	18/64
9:00	1800	light	30	18/64
10:00	1800	light	30	18/64
11:00	1800	light	30	18/64
12:00	1800	light	30	18/64
1:00	1800	light	30	18/64

2:00	1800	light	30	18/64
3:00	1800	light	30	18/64
4:00	1800	light	30	18/64
5:00	1800	light	30	18/64
6:00	1800	light	30	18/64
			<u>30</u>	
			390	

Install ball catcher

DC: \$13,650

TC: \$117,140

11/17/96

Flowing to pit until 2:00 pm on 18/64" chk. Open up well wide, open 2" to pit to try to bring up balls for 1½ hrs. Started to bring sand. Washing out flow back line. SI & repair line open backup & flowing back to pit on 18/64" chk.

Time	FCP	Sand	BW/hr	Choke	Gas
6:00	1350	trace	30	18/64	1M
7:00	1350	trace	30	18/64	1M
8:00	1350	trace	30	18/64	1M
9:00	1350	trace	30	18/64	1M
10:00	1300	trace	30	18/64	1M
11:00	1300	trace	30	18/64	1M
12:00	1300	trace	30	18/64	1M
1:00	1300	trace	20	18/64	1M
2:00	1300	trace	20	18/64	1M
3:00	1300	trace	20	18/64	1M
4:00	1300	trace	20	18/64	1M
5:00	1300	trace	20	18/64	1M
6:00	1300	trace	<u>20</u>	18/64	1M
			330		

1.5 MMCF/D

DC: \$350

TC: \$117,490

11/18/96

Flowing 84-1670 MCF, 0 BW, -- TP, 2500 CP, on 13/64" chk.

11/19/96

Flowing 910 MCF, 144 BW, -- TP, 1425 CP, on 13/64" chk.

11/20/96

Flowing 642 MCF, 100 BW, 137 TP, 478 CP, on 30/64" chk.

11/28/96

Flowing 1224 MCF, 80 BW, -- TP, 80 CP, on 18-19/64" chk.

11/29/96

Flowing 1227 MCF, 85 BW, -- TP, 525 CP, on 20/64" chk.

11/30/96

Flowing 1235 MCF, 75 BW, -- TP, 425 CP, on 24/64" chk.

12/01/96

Flowing 1219 MCF, 63 BW, -- TP, 425 CP, on 24/64" chk.

12/02/96 Flowing 514 MCF, 50 BW, 460 TP, 997 CP, on 30/64" chk. **Final Report**

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG										5. LEASE DESIGNATION AND SERIAL NO. ML-22265	
1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____ b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____										6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
2. NAME OF OPERATOR Coastal Oil & Gas Corporation										7. UNIT AGREEMENT NAME N/A	
3. ADDRESS OF OPERATOR P.O. Box 749, Denver, CO 80201-0749 (303) 573-4455										8. FARM OR LEASE NAME Morgan State	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 521' FNL & 1940' FEL (NW/NE) At top prod. interval reported below At total depth										9. WELL NO. #3-36	
14. API NO. 43-047-32589 DATE ISSUED 2/9/96										10. FIELD AND POOL, OR WILDCAT Natural Buttes	
12. COUNTY Uintah 13. STATE Utah										11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Section 36-T9S-R21E	
15. DATE SPUIDED 9/25/96		16. DATE T.D. REACHED 10/30/96		17. DATE COMPL. (Ready to prod. or P&A) 11/18/96		18. ELEVATIONS (OF. RKB, RT. GR. ETC.) 5016' Ungraded GR		19. ELEV. CASINGHEAD		20. TOTAL DEPTH, MD & TVD 9508'	
21. PLUG BACK T.D., MD & TVD 8418'		22. IF MULTIPLE COMPL., HOW MANY ----		23. INTERVALS DRILLED BY X		ROTARY TOOLS		CABLE TOOLS		24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD) Mesaverde - 8803'-9361', 8213'-8679', 7366'-7841'	
25. WAS DIRECTIONAL SURVEY MADE Yes--Single Shot Sidewall Cores										26. TYPE ELECTRIC AND OTHER LOGS RUN AIT/LDT/CNL & GR; MSCT-GR; GR/CCL/CBL 11-15-96 MUD LOG	
27. WAS WELL CORED YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (Submit analysis) DRILL STEM TEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See reverse side)											
28. CASING RECORD (Report all strings set in well)											
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED	
13-3/8"		54.5#		40'		17-1/2"		See att. chrono. hist.--9/25/96.			
8-5/8"		32#		2531'		12-1/4"		See att. chrono. hist.--10/2/96.			
5-1/2"		17#		9508'		7-7/8"		See att. chrono. hist.--11/1/96.			
29. LINER RECORD											
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*		SCREEN (MD)		30. TUBING RECORD	
										SIZE	
										DEPTH SET (MD)	
										PACKER SET (MD)	
31. PERFORATION RECORD (Interval, size and number) 8803'-9361', 2-1/8" gun, 8 holes. 8213'-8679', 3-1/8" gun, 8 holes. 7366'-7841', 4" gun, 11 holes.											
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.											
DEPTH INTERVAL (MD)						AMOUNT AND KIND OF MATERIAL USED					
8803'-9361'						See att. chrono. hist.--11/14/96.					
8213'-8679'						See att. chrono. hist.--11/15/96.					
7366'-7841'						See att. chrono. hist.--11/15/96.					
33. PRODUCTION											
DATE FIRST PRODUCTION 11/8/96				PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Producing			
DATE OF TEST 11/18/96		HOURS TESTED 24		CHOKE SIZE 13/64"		PROD'N. FOR TEST PERIOD		OIL--BBL. 0		GAS--MCF 1670	
WATER--BBL. 100		GAS-OIL RATIO N/A		FLOW. TUBING PRESS.		CASING PRESSURE 2500#		CALCULATED 24-HOUR RATE		OIL--BBL. 0	
N/A		N/A		N/A		N/A		N/A		N/A	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold										TEST WITNESSED BY Paul Breshears	
35. LIST OF ATTACHMENTS Chronological History, Sidewall Core Analysis											
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.											
SIGNED Sheila Bremer				TITLE Environmental & Safety Analyst				DATE 12/26/96			

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s), and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.			38. GEOLOGIC MARKERS			
Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	Top True Vert. Depth
Rotary Sidewall Cores - See Attached Analysis				Wasatch Mesaverde	4673' (+363) 7352' (-2316)	

PERC**WELL CHRONOLOGICAL REPORT****WELL NAME:** MORGAN STATE 336**FIELD NAME:** NATURAL BUTTES**COUNTY:** UINTAH**AFE#:** 26524**OPERATOR:** COASTAL OIL & GAS USA, L.**SPUD DATE:** 9/27/96**WI%:** 100.00**DATE:** 9/17/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** BUILDING LOCATION**HOURS:** 0.00 **PROGRESS:** 0 ft**MW:** 0.0 **DAILY COST:** \$7,850.00 **CUMM COST :** \$7,850.00**ACTIVITY LAST
24 HOURS:**

BUILD LOCATION. "DRIL & SHOT"

DATE: 9/22/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** WO RAT HOLE DIGGER**HOURS:** 0.00 **PROGRESS:** 0 ft**MW:** 0.0 **DAILY COST:** \$6,748.00 **CUMM COST :** \$14,598.00**ACTIVITY LAST
24 HOURS:**

J. WEST PUT INPIT LINER & PUT UP FENCE. PUT 2 LOADS OF WATER ON PIT LINER

DATE: 9/23/96**DEPTH:** 0**ACTIVITY AT REPORT TIME:** PREP TO MI RAT HOLE MACHINE THIS PM**HOURS:** 0.00 **PROGRESS:** 0 ft**MW:** 0.0 **DAILY COST:** \$550.00 **CUMM COST :** \$15,148.00**ACTIVITY LAST
24 HOURS:**

TRIP TO LOC & CHECK. NO COND SET. LINE UP RAT HOLE MACHINE TO GET COND PIPE. DRILL RAT & MOUSE HOLES.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/24/96

DEPTH: 0

ACTIVITY AT REPORT TIME: DRLG 17 1/2" HOLE

HOURS: 0.00 **PROGRESS:** 0 ft

MW: 0.0 **DAILY COST:** \$12,169.80 **CUMM COST :** \$27,317.80

**ACTIVITY LAST
24 HOURS:**

MOVING DRLG RIG. DRILLING 17 1/2" COND HOLE.

DATE: 9/25/96

DEPTH: 40

ACTIVITY AT REPORT TIME: PREP TO SET CELLAR & START SETTING IN

HOURS: 0.00 **PROGRESS:** 0 ft

MW: 0.0 **DAILY COST:** \$21,894.40 **CUMM COST :** \$49,212.20

**ACTIVITY LAST
24 HOURS:**

FIN 17 1/2" HOLE & SET 13 3/8" COND-CSG. CEMENT W/2 YARDS REDI-MIX CONCRETE. DRILL RAT & MOUSE HOLES. PREP TO SET CELLAR & SET IN RIG

DATE: 9/26/96

DEPTH: 40

ACTIVITY AT REPORT TIME: PREP CENT - SET IN DRLG RIG

HOURS: 0.00 **PROGRESS:** 0 ft

MW: 0.0 **DAILY COST:** \$13,370.00 **CUMM COST :** \$62,582.20

**ACTIVITY LAST
24 HOURS:**

SET CELLAR & START SETTING IN CAZA DRLG RIG. NO CRANE, 2 TRUCKS SET IN & PUT TOGETHER SUB. SDFN. CREWS WORKED 8 HRS.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/27/96

DEPTH: 40

ACTIVITY AT REPORT TIME: RU

HOURS: 0.00

PROGRESS: 0 ft

MW: 0.0

DAILY COST: \$10,681.00

CUMM COST : \$73,263.20

ACTIVITY LAST
24 HOURS:

SETTING IN & RU CAZA DRLG RIG

DATE: 9/28/96

DEPTH: 160

ACTIVITY AT REPORT TIME: DRLG

HOURS: 6.00

PROGRESS: 120 ft

MW: 0.0

DAILY COST: \$26,955.50

CUMM COST : \$100,218.70

ACTIVITY LAST
24 HOURS:

RU CAZA RIG #24 DRLG 40-160'

DATE: 9/29/96

DEPTH: 1526

ACTIVITY AT REPORT TIME: DRLG AIR 2266 CFM

HOURS: 19.50

PROGRESS: 1366 ft

MW: 0.0

DAILY COST: \$36,674.00

CUMM COST : \$136,892.70

ACTIVITY LAST
24 HOURS:

DRLG CIRC & SURVEY DRLG SURVEY RIG REPAIR. CHANGE OIL IN DRAWWORKS DRLG
SURVEY DRLG CHANGE TO 4 1/2" ROT RUBBER DRLG SURVEY DRLG



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: Uintah

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 9/30/96

DEPTH: 1985

ACTIVITY AT REPORT TIME: DRLG

HOURS: 16.00

PROGRESS: 459 ft

MW: 0.0

DAILY COST: \$13,446.40

CUMM COST : \$150,339.10

ACTIVITY LAST
24 HOURS:

DRLG AIR H2O @ 1600' MIST UP CIRC DRLG POH W/4 STD. REPAIR BLOOIE LINE. TIH DRLG
XO TO AERATED H2O. WASH TO BTM DRLG CIRC & SURVEY DRLG REPAIR RIG (FUEL LINES
LEAKING - SUCKING AIR - MOTORS DIED) DRLG HIT H2O @ 1600'. FM H2O NOT FRESH.

DATE: 10/1/96

DEPTH: 2525

ACTIVITY AT REPORT TIME: CIRC

HOURS: 17.50

PROGRESS: 540 ft

MW: 0.0

DAILY COST: \$14,202.10

CUMM COST : \$164,541.20

ACTIVITY LAST
24 HOURS:

DRLG TO 2237' RIG SERVICE & SURVEY @ 2192' DRLG TO 2525' CIRC FOR SHORT TRIP. FILL
MUD TANKS TOOH TO DC'S. TIH. SLM. NO CORRECTION CIRC FOR CSG.

DATE: 10/2/96

DEPTH: 2525

ACTIVITY AT REPORT TIME: WELD ON WELLHEAD & NU

HOURS: 0.00

PROGRESS: 0 ft

MW: 0.0

DAILY COST: \$76,986.40

CUMM COST : \$241,527.60

ACTIVITY LAST
24 HOURS:

SURVEY @ 2480' 3 DEGS TOOH & LD 8" DC RU CSG CREW RUN 59 JTS 8 5/8" CSG 2533.1' J55 32#
CIRC CSG & RD CSG CREW CMT SURF PIPE W/DOWELL 501 SXS 35/65 POZ W/CHEM 600 SX "G"
W/CHEM. DID NOT CIRC. RUN 100'-1" & CMT W/80 SX. CIRC THROUGH OUT 1" JOB. WOC - DUMP
MUD/WTR PITS CUT OFF 8 5/8" & LD. NOTE: CMT DROPPED 56 1/2' WELD ON WH & START NU BOP
STACK



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/3/96

DEPTH:

2525

ACTIVITY AT REPORT TIME: DRLG CMT - SURF SHOE JNT.

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$13,728.00

CUMM COST : \$255,255.60

ACTIVITY LAST
24 HOURS:

NU BOP STACK & RU FLARE LINE CMT SURF CSG W/REDI MIX RU TESTER. TEST AS FOLLOWS:
BOP 3000 PSI, HYDRIL 1500 PSI, KELLY 3000 PSI, CHOKE MANIFOLD 3000 PSI, 8 5/8" CSG 2750 PSI FIN
BLOW LINES & HOOKUP DEGASSER PU STC F45H BIT & TIH W/21-6 1/4 COLLARS & DP DRLG CMT &
FLOAT

DATE: 10/4/96

DEPTH:

3128

ACTIVITY AT REPORT TIME: MIST DRLG @ 3128'

HOURS:

14.50

PROGRESS: 598 ft

MW:

8.3

DAILY COST: \$25,894.00

CUMM COST : \$281,149.60

ACTIVITY LAST
24 HOURS:

DRLG CMT, FLOAT & SHOE JNT TEST CSG TO 2750 PSI DRLG CMT & SHOE TEST CSG
SEAT/FORM INTEGRITY. NOTE: HELD TO 11.34 EMW, BORKE DWN @ 11.72 EMW, HELD @ 10.5 EMW.
BLOW HOLE DRY DRLG 2530-2608' (DUSTING) MIST UP SYSTEM DRLG 2608-3082'. 200 UNITS
CONNECTION GAS SURVEY & RIG SERVICE - FUNCTION TEST BOP DRLG 3082-3128'

DATE: 10/5/96

DEPTH:

4058

ACTIVITY AT REPORT TIME: DRLG @ 4058'

HOURS:

22.00

PROGRESS: 930 ft

MW:

8.4

DAILY COST: \$17,845.30

CUMM COST : \$298,994.90

ACTIVITY LAST
24 HOURS:

DRLG 3128-3296' SURVEY 3296' 2 1/4 DEG RIG SERVICE DRLG 3296-3670' SURVEY 3626' 3 DEGS
UNLOAD & CIRC HOLE CLEAN DRLG 3670-4058', ROP 42.27'/HR. MIST DRLG. AIR VOLUME 2200 CFM,
FLUID VOLUME 8-10 GPM

WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/6/96 DEPTH: 4901 ACTIVITY AT REPORT TIME: DRLG @ 4901' W/AIR MIST
HOURS: 21.00 PROGRESS: 843 ft
MW: 8.4 DAILY COST: \$15,644.00 CUMM COST : \$314,638.90

ACTIVITY LAST 24 HOURS: DRLG 4058-4107' RIG SERVICE. SURVEY @ 4063' 3 1/2 DEG UNLOAD HOLE DRLG 4107-4604'
RIG SERVICE. SURVEY @ 4560' 2 3/4 DEG UNLOAD HOLE DRLG 4604-4901' MIST DRLG W/2200
CFM, 8-10 GPM. SMALL SHOW 4646-4600', 240 UNITS BGG. NOW DRLG W/150 UNITS BGG, 300 UNITS ON
CONN. MAKING WTR. HARD TO UNLOAD AFTER SURVEY. TAKING 1200 PSI

DATE: 10/7/96 DEPTH: 5620 ACTIVITY AT REPORT TIME: AIR/WTR DRLG @ 5620'
HOURS: 19.00 PROGRESS: 719 ft
MW: 8.4 DAILY COST: \$15,923.60 CUMM COST : \$330,562.50

ACTIVITY LAST 24 HOURS: DRLG 4901-5101' CIRC HOLE CLEAN W/AERATED FLD (HOLE STICKY) HOLE UNLOAD ALOT OF
CUTTINGS SURVEY @ 5057' & RIG SERVICE UNLOAD HOLE & CONVER TO MIST DRLG 5101-5559'
HOLE LOADED UP & GOT "STICKY". CONVERTED TO AIR/WTR DRLG 5559-5620' DRLG W/550 CFM
+ 5.7-6.5 BPM @ 400-500 PSI

DATE: 10/8/96 DEPTH: 5637 ACTIVITY AT REPORT TIME: WASH & REAM TO BTM
HOURS: 0.00 PROGRESS: 0 ft
MW: 8.4 DAILY COST: \$30,461.20 CUMM COST : \$361,023.70

ACTIVITY LAST 24 HOURS: DRLG 5620-5628' SURVEY @ 5584' 4 1/4 DEGS & RIG SERVICE UNLOAD HOLE DRLG 5628-5637'
WORK TIGHT & STUCK PIPE CIRC HOLE W/SWEEP TOOH & CIRC BUBBLES OUT TIH W/BIT #3 -
REED HP 53A. HIT FILL & TIGHT HOLE @ 4887' W&R TO BTM. NOTE: HOLE HAS LARGE FORMATION
PIECES COMING UP.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/9/96 DEPTH: 5637 ACTIVITY AT REPORT TIME: W&R TO BTM W/40+ VIS MUD
HOURS: 0.00 PROGRESS: 0 ft
MW: 8.8 DAILY COST: \$27,277.80 CUMM COST : \$388,301.50

**ACTIVITY LAST
24 HOURS:**

W&R TO BTM W/30 VIS FLUID & 38 VIS SWEEPS WORK STUCK PIPE & TOOHP TO 4400' CLEAN MUD
TANKS. MIX MUD W/FRESH WTR TIH TO 5007' CIRC HOLE W/40 VIS MUD W&R 1 JNT DWN. MIX
MUD & CIRC HOLE (SMALL PCS, DRLG SOLIDS @ SHAKER) W&R 5 JNTS (RECEIVING LARGE 1" PCS @
SHAKER) W&R @ 5537'

DATE: 10/10/96 DEPTH: 5975 ACTIVITY AT REPORT TIME: DRLG
HOURS: 20.75 PROGRESS: 338 ft
MW: 9.5 DAILY COST: \$11,744.70 CUMM COST : \$400,046.20

**ACTIVITY LAST
24 HOURS:**

W&R 5537-5637' DRLG 5637-5688' SURVEY @ 5644' 1 DEG RIG SERVICE & CHECK BOP DRLG
5688-5940' SURVEY @ 5896' 2 DEG DRLG 5940-5975'

DATE: 10/11/96 DEPTH: 6165 ACTIVITY AT REPORT TIME: DRLG
HOURS: 14.00 PROGRESS: 190 ft
MW: 9.3 DAILY COST: \$13,079.70 CUMM COST : \$413,125.90

**ACTIVITY LAST
24 HOURS:**

DRLG 5975-6000' RIG SERVICE & CHECK BOP'S DRLG 6000-6134' TRIP FOR MOTOR (PDS) DRLG
6134-6165'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/12/96

DEPTH: 6583

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 22.25

PROGRESS: 418 ft

MW: 9.3

DAILY COST: \$20,125.20

CUMM COST : \$433,251.10

ACTIVITY LAST
24 HOURS:

DRLG 6165-6179' SURVEY @ 6135' 1 1/2 DEGS. RIG SERVICE RIG REPAIR (MUD PMPS) DRLG
6179-6583'

DATE: 10/13/96

DEPTH: 6862

ACTIVITY AT REPORT TIME: POOH F/BIT

HOURS: 20.00

PROGRESS: 279 ft

MW: 9.4

DAILY COST: \$14,215.00

CUMM COST : \$447,466.10

ACTIVITY LAST
24 HOURS:

DRLG 6583-6614' W/MM RIG SERVICE SURVEY @ 6514' 2 3/4DEGS DRLG 6614-6862' CIRC BTMS
UP POOH FOR/BIT

DATE: 10/14/96

DEPTH: 7065

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 14.50

PROGRESS: 203 ft

MW: 7.4

DAILY COST: \$21,107.80

CUMM COST : \$468,573.90

ACTIVITY LAST
24 HOURS:

POOH F/BIT RIG SERVICE TIH BREAK CIRC TIH W&R 6742-6862' DRLG 6862-7065'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/15/96

DEPTH: 7295

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 22.50

PROGRESS: 230 ft

MW: 9.5

DAILY COST: \$12,526.80

CUMM COST : \$481,100.70

ACTIVITY LAST
24 HOURS:

DRLG 7065-7109' RIG SERVICE DRLG 7109-7266' SURVEY & RIG SERVICE DRLG 7266-7295

DATE: 10/16/96

DEPTH: 7633

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 23.50

PROGRESS: 338 ft

MW: 9.4

DAILY COST: \$13,917.20

CUMM COST : \$495,017.90

ACTIVITY LAST
24 HOURS:

DRLG 7295-7329' RIG SERVICE DRLG 7329-7633'

DATE: 10/17/96

DEPTH: 7651

ACTIVITY AT REPORT TIME: LOGGING

HOURS: 3.00

PROGRESS: 18 ft

MW: 9.5

DAILY COST: \$14,965.50

CUMM COST : \$509,983.40

ACTIVITY LAST
24 HOURS:

DRLG 7633-7651' POOH F/BIT LD TOOLS. WO SCHLUMBERGER & RU TO LOG LOGGING
W/SCHLUMBERGER. RAN AIT/LDT/CNL & GR. LOG TD 7652'. MAX TEMP 166 DEGS. 2ND RUN MSCT-GR

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/18/96

DEPTH: 7786

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 6.50 **PROGRESS:** 135 ft

MW: 9.3 **DAILY COST:** \$36,642.10 **CUMM COST :** \$546,625.50

ACTIVITY LAST 24 HOURS: LOGGING W/SCHLUMBERGER (SIDE WALL CORES) TIH CUT DRLG LINE TIH TO 4800' CIRC BTMS UP TIH TO 7591' W&R 7591-7651' DRLG 7651-7786'

DATE: 10/19/96

DEPTH: 8146

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 24.00 **PROGRESS:** 360 ft

MW: 9.5 **DAILY COST:** \$10,582.00 **CUMM COST :** \$557,207.50

ACTIVITY LAST 24 HOURS: DRLG 7786-8146'

DATE: 10/20/96

DEPTH: 8475

ACTIVITY AT REPORT TIME: DRLG W/PDS MUD MOTOR

HOURS: 22.50 **PROGRESS:** 329 ft

MW: 9.8 **DAILY COST:** \$16,752.00 **CUMM COST :** \$573,959.50

ACTIVITY LAST 24 HOURS: SURVEY & RIG SERVICE DRLG 8146-8475'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/21/96

DEPTH: 8747

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 23.00

PROGRESS: 272 ft

MW: 11.1

DAILY COST: \$13,545.00

CUMM COST :

\$587,504.50

ACTIVITY LAST
24 HOURS:

DR;G8475-8610' SURVEY @ 8610' & RIG SERVICE DRLG 8610-8747'

DATE: 10/22/96

DEPTH: 8850

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 11.50

PROGRESS: 103 ft

MW: 11.5

DAILY COST: \$25,857.00

CUMM COST :

\$613,361.50

ACTIVITY LAST
24 HOURS:

DRLG 8747-8766' POOH & CHANGE MOTORS RIG SERVICE TIH W/BIT #6 BREAK CIRC @ 5511'
TIH TO 8696' WASH 70' TO BTM DRLG 8766-8850'

DATE: 10/23/96

DEPTH: 8967

ACTIVITY AT REPORT TIME: TRIP F/HOLE

HOURS: 12.00

PROGRESS: 117 ft

MW: 11.4

DAILY COST: \$20,594.20

CUMM COST :

\$633,955.70

ACTIVITY LAST
24 HOURS:

DRLG 8850-8892' RIG SERVICE DRLG 8892-8967' (LOST 200 PSI) CHECK SURF EQUIP & PMP
FLAGS POOH WET. CLEANED OUT LD MOTOR TIH

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/24/96

DEPTH: 9025

ACTIVITY AT REPORT TIME: DRLG W/PDS MM

HOURS: 11.00

PROGRESS: 58 ft

MW: 11.4

DAILY COST: \$27,622.00

CUMM COST : \$661,577.70

ACTIVITY LAST
24 HOURS:

TIH BREAK CIRC @ 5670' TIH TO BTM DRLG 8967-9014' DROP SURVEY POOH PU MM TIH
TO 8969' WASH 8969-9014' DRLG 9014-9025'

DATE: 10/25/96

DEPTH: 9068

ACTIVITY AT REPORT TIME: TRIP FOR BIT #8

HOURS: 15.50

PROGRESS: 43 ft

MW: 11.5

DAILY COST: \$17,939.10

CUMM COST : \$679,516.80

ACTIVITY LAST
24 HOURS:

DRLG 9025-9048' RS DRLG 9046-9063' PMPD SWEEPS OF SAP DRILL-DET WTR & WALNUT) PMP
PILL & PULL ROT HEAD TRIP FOR BIT

DATE: 10/26/96

DEPTH: 9079

ACTIVITY AT REPORT TIME: TIH W/BIT #9 & PDS MOTOR

HOURS: 7.00

PROGRESS: 11 ft

MW: 11.4

DAILY COST: \$12,290.50

CUMM COST : \$691,807.30

ACTIVITY LAST
24 HOURS:

TEST MOTOR, RIG SERVICE & CHECK BOP TIH W/BIT #8, BREAK CIRC @ 3768' CHECK SURF EQUIP
& PUMP CARBIDE F/100 PSI, PRESS LOSS DRLG 9068-9079' POOH & LD 1 DC W/HOLE CHANGE
BIT, RIG SERVICE & TEST MOTOR TIH



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/27/96

DEPTH: 9094

ACTIVITY AT REPORT TIME: PU DC

HOURS: 11.50

PROGRESS: 22 ft

MW: 11.3

DAILY COST: \$11,630.10

CUMM COST : \$703,437.40

ACTIVITY LAST
24 HOURS:

TIH W/BIT #9. BRIDGE @ 4560' BREAK CIRC & W/R BRIDGE @ 4560' TIH TO 9020' W&R 9020-9072'
(CORR -7 DEG) DRLG 9072-9094' POOH WORK STUCK PIPE (STUCK @ 4560' W/BIT) POOH LD
MOTOR & PU DC'S (25 HRS TOTAL DST)

DATE: 10/28/96

DEPTH: 9235

ACTIVITY AT REPORT TIME: TRIP FOR BIT

HOURS: 15.00

PROGRESS: 141 ft

MW: 11.4

DAILY COST: \$12,954.50

CUMM COST : \$716,391.90

ACTIVITY LAST
24 HOURS:

TIH W/RR BIT #7 W&R 40' TO BTM 9094-9235' CIRC & PMP PILL. PULL ROT HEAD POOH

DATE: 10/29/96

DEPTH: 9400

ACTIVITY AT REPORT TIME: DRLG

HOURS: 17.50

PROGRESS: 165 ft

MW: 11.5

DAILY COST: \$14,926.00

CUMM COST : \$731,317.90

ACTIVITY LAST
24 HOURS:

POOH & CHANGE BIT RS TIH W/BIT #10 BREAK CIRC & WASH 20' TO BTM DRLG 9235-9400'



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 10/30/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: LOGGING
HOURS: 8.00 PROGRESS: 100 ft
MW: 11.6 DAILY COST: \$13,194.50 CUMM COST : \$744,512.40

ACTIVITY LAST 24 HOURS: DRLG 9400-9456' RS DRLG 9456-9500' CIRC SHORT TRIP 20 STDS CIRC POOH FOR LOGS
(CORR DEPTH 8' SLM) LOGGING W/SCHLUMBERGER AIT-LDT-CNL & GR. LOGGERS TD 9510'

DATE: 10/31/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: LD DRILL PIPE
HOURS: 0.00 PROGRESS: 0 ft
MW: 11.5 DAILY COST: \$37,785.00 CUMM COST : \$782,297.40

ACTIVITY LAST 24 HOURS: LOGGING W/SCHLUMBERGER. ROT SIDEWALL CORES TIH CIRC & COND F/5 1/2" CSG LD DRILL PIPE

DATE: 11/1/96 DEPTH: 9508 ACTIVITY AT REPORT TIME: CLEAN MUD PITS
HOURS: 0.00 PROGRESS: 0 ft
MW: 0.0 DAILY COST: \$171,543.30 CUMM COST : \$953,840.70

ACTIVITY LAST 24 HOURS: LD DP & DC'S PULL WEAR BUSHING & BELL NIPPLE RU WESTATES CASERS & RUN 230 JTS 5 1/2" 17# LT&C N80 & L80 CSG W/HOWCO SHOE & FLOAT (1 SHOE JT) + 65 TURBULATORS F/5100' DWN. TOTAL STRING 9504.67' CIRC & COND F/CMT CMT W/HALLIBURTON. PMPD 5 BBLS WTR, 40 BBLS MUD FLUSH, 5 BBLS WATER. 500 SXS PREMIUM "H" W/16% GEL, .8% HR7, WT 11 PPG, Y 3.8. TAIL W/1730 SXS 50/50 POZ W/2% GEL, .3% VERSASET, 10% SALT, 3#/SX SILICALITE, .7% HALAD 9, .1% HR5. WT 14.2 PPG, Y 1.33. DROP PLUG & DISPL W/18 BBLS MSA ACID & 200 BBLS CLA-FIX WATER. PLUG BUMPED. FLOATS HELD. GOOD RETURNS. 60 BBLS CMT TO SURF. RECIP. CSG. CMT IN PLACE @ 23:22 HRS 10/31/96 SET 5 1/2" SLIPS. CUT OFF. ND BOP'S & NU TBG HEAD & CLEAN MUD PITS.



WELL CHRONOLOGICAL REPORT

WELL NAME: MORGAN STATE 336

FIELD NAME: NATURAL BUTTES

COUNTY: UINTAH

AFE#: 26524

OPERATOR: COASTAL OIL & GAS USA, L.

SPUD DATE: 9/27/96

WI%: 100.00

DATE: 11/2/96

DEPTH:

9508

ACTIVITY AT REPORT TIME: RD RT

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$22,133.50

CUMM COST :

\$975,974.20

ACTIVITY LAST
24 HOURS:

NIPPLE TBG HEAD & TEST TO 4500 PSI & CLEAN MUD TANKS. RIG RELEASED @ 13:00 11/1/96

DATE: 11/6/96

DEPTH:

9508

ACTIVITY AT REPORT TIME: WO COMPLETION

HOURS:

0.00

PROGRESS: 0 ft

MW:

0.0

DAILY COST: \$6,610.00

CUMM COST :

\$982,584.20

ACTIVITY LAST
24 HOURS:

RU CUTTERS WLS W/MAST TRUCK. RAN GR-CCL-CBL FROM 9422' TO 50' W/1000 PSI ON CSG. GOOD BOND. TOC @ 200'. RD CUTTERS. SDFN.

DATE: 11/7/96

DEPTH:

9508

ACTIVITY AT REPORT TIME:

HOURS:

PROGRESS: ft

MW:

0.0

DAILY COST: \$6,610.00

CUMM COST :

\$989,194.20

ACTIVITY LAST
24 HOURS:

NONE REPORTED

COASTAL OIL & GAS USA, L.P.

CHRONOLOGICAL HISTORY

MORGAN STATE #3-36

Page 1

Natural Buttes Field

Uintah County, UT

11/06/96 RU Cutters W. 15 w/mast truck. Ran GR-CCL-CBL from 9422' to 50' w/1000 psi on csg. Good bond, TOC @ 200'. RD Cutters. SDFN
DC: \$6,610 TC: \$6,610

11/08/96 RU Cutters WL, install full opening frac vlv, RIH perf 8 holes, 8803', 8808', 8829', 9224', 9329', 9350', 9355', 9361', w/2 1/8" select fire, disposable gun. 900 psi after 2 hrs, open to pit.

Time	Csg Press	Gas	Water	Choke
5:00	1130	---	15	48/64
6:00	100	---	3	48/64
7:00	100	---	5	48/64
8:00	100	light	0	48/64
9:00	100	light	0	48/64
10:00	100	light	0	48/64
11:00	100	light	0	48/64
12:00	100	light	0	48/64
1:00	100	light	0	48/64
2:00	100	light	0	48/64
3:00	100	light	0	48/64
4:00	100	light	0	48/64
5:00	100	light	0	48/64
6:00	100	light	0	48/64
			23	

1000 MCF/D

11/09/96 FCP 25 psi on 20/64" chk, 100 MCF - dry. SI @ 2pm.
DC: \$700 TC: \$12,260

11/10/96 SICP 1500 psi. Blew down to 350 psi in 10 min on 20/64" chk. SI. Build press, no water.
DC: \$350 TC: \$12,610

11/11-13/96 Well shut in.

11/14/96 RU to frac perfs 8803'-9361' (8 holes) down csg as per program. 200 gal 15% HCl, 72 bbls pad, and 71,000# 20/40 ramped 3-7 ppg stages. Maintain 20 bpm and 3300 psi. Screened out 10 bbls shy of 6 ppg stage. Est 30,000# placed. Flow back est 4-6 bpm for 50 min. Returns cleaning up & turning to gas. Pmp in to see if csg clean. Pmpd 65 bbls @ 3 bpm. IP/FP 3070/3400 psi. No press increase last 15 bbls. Drop frac baffle ball and RIH w/3 1/8" guns. Perf 8679', 8671', 8666', 8583', 8526', 8521', 8218', 8213'. All shots fired. RU to frac. Pressure up to 6200 psi - no breakdown. Made dummy run w/WL.

11/16/96	Time	FCP	Sand	BW/hr	Choke
	6:00	2200	light	30	18/64
	7:00	2100	light	30	18/64
	8:00	1900	none	30	18/64
	9:00	1800	light	30	18/64
	10:00	1800	light	30	18/64
	11:00	1800	light	30	18/64
	12:00	1800	light	30	18/64
	1:00	1800	light	30	18/64
	2:00	1800	light	30	18/64
	3:00	1800	light	30	18/64
	4:00	1800	light	30	18/64
	5:00	1800	light	30	18/64
	6:00	1800	light	30	18/64
				<u>390</u>	

Install ball catcher

DC: \$13,650

TC: \$117,140

11/17/96 Flowing to pit until 2:00 pm on 18/64" chk. Open up well wide open 2" to pit to try to bring up balls for 1½ hrs. Started to bring sand. Washing out flow back line. SI & repair line open back up & flowing back to pit on 18/64" chk.

	Time	FCP	Sand	BW/hr	Choke	Gas
	6:00	1350	trace	30	18/64	1M
	7:00	1350	trace	30	18/64	1M
	8:00	1350	trace	30	18/64	1M
	9:00	1350	trace	30	18/64	1M
	10:00	1300	trace	30	18/64	1M
	11:00	1300	trace	30	18/64	1M
	12:00	1300	trace	30	18/64	1M
	1:00	1300	trace	20	18/64	1M
	2:00	1300	trace	20	18/64	1M
	3:00	1300	trace	20	18/64	1M
	4:00	1300	trace	20	18/64	1M
	5:00	1300	trace	20	18/64	1M
	6:00	1300	trace	20	18/64	1M
				<u>330</u>		

1.5 MMCF/D

DC: \$350

TC: \$117,490

11/18/96 Flowing 84-1670 MCF, 0 BW, -- TP, 2500 CP, on 13/64" chk.

11/19/96 Flowing 910 MCF, 144 BW, -- TP, 1425 CP, on 13/64" chk.

11/20/96 Flowing 642 MCF, 100 BW, 137 TP, 478 CP, on 30/64" chk.

11/21/96 Flowing 911 MCF, 105 BW, 0 TP, 1550# CP, on 11/64" chk.

11/22/96 Flowing 1108 MCF, 97 BW, 0 TP, 1475# CP, on 12/64" chk.

PBTD @ 8418'. Order out CTU. Flow well overnight.

Time	FCP	Sand	BW/hr	Choke
6:00	2200	light	20	18/64
7:00	1100	trace	20	18/64
8:00	750	none	15	18/64
9:00	1100	trace	20	18/64
10:00	1200	trace	25	18/64
11:00	1300	trace	20	18/64
12:00	1450	trace	15	18/64
1:00	1500	light	10	18/64
2:00	1400	trace	10	18/64
3:00	1300	trace	10	18/64
4:00	1200	trace	10	18/64
5:00	1150	trace	5	18/64
6:00	1100	trace	5	18/64
			105	

1.5 MMCF/D

DC: \$11,100

TC: \$23,360

11/15/96

RU CAMCO 1½" CTU. TIH to 8700', circ clean. Close annulus and pressure up to 2200 psi to seat ball. Load hole maintaining ±2200 psi on well. Spot 600 gal 15% HCl from 8680'-8064'. POOH. RD CTU. RU frac crew (DS). Frac 8213'-8679' (8 holes) w/DS low-gel and ±50,000# sand ramped 3-5 ppg. Omitted 6 ppg stage due to high pressures. Max/Avg P=4560/3900 psi, Max/Avg R=20/18 BPM. ISIP/5/10=3100/2560/2490 psi. Flush as per program. Drop 3¾" fac ball + RU WL. Test ball 3000 psi, OK. Perf 7366'-7841' w/-4" gun, 11 holes per program. Btm shot misfired. Made 2nd run for 7841'. RU & frac. Frac 7366'-7844' w/DS Low-gel (No CO₂) w/sand cramped 2-7 ppg. Flushed early and screened at w/±90,000# placed. Max/Avg P=5000/2900 psi, Max/Avg R≥25/24 BPM. Begin flowback @ 1700 psi, 3 BPM @ midnight. Total load today 1361 bbls.

Time	FCP	Sand	BW/hr	Choke
12:00	1700	0	170	28/64
1:00	800	light	170	11/64
2:00	1200	light	70	18/64
3:00	1450	light	60	18/64
4:00	1700	light	40	18/64
5:00	1800	light	30	18/64
6:00	1900	light	30	18/64
			570	

Load 1361

DC: \$79,780

TC: \$103,490

11/23/96 Flowing 1131 MCF, 85 BW, 0 TP, 1240# CP, on 12/64" chk.

11/24/96 Flowing 1207 MCF, 90 BW, 0 TP, 1100# CP, on 13/64" chk.

11/25/96 Flowing 1207 MCF, 77 BW, 0 TP, 1050# CP, on 13/64" chk.

11/26/96 Flowing 1166 MCF, 70 BW, 0 TP, 850# CP, on 15/64" chk.

11/27/96 Flowing 1244 MCF, 80 BW, 0 TP, 800# CP, on 18/64" chk.

11/28/96 Flowing 1224 MCF, 80 BW, -- TP, 80 CP, on 18-19/64" chk.

11/29/96 Flowing 1227 MCF, 85 BW, -- TP, 525 CP, on 20/64" chk.

11/30/96 Flowing 1235 MCF, 75 BW, -- TP, 425 CP, on 24/64" chk.

12/01/96 Flowing 1219 MCF, 63 BW, -- TP, 425 CP, on 24/64" chk.

12/02/96 Flowing 514 MCF, 50 BW, 460 TP, 997 CP, on 30/64" chk. **Final Report**

CORE LABORATORIES

Company : Coastal Oil & Gas Corp.
 Well : Morgan St. #3-36
 Location : Ne Sec 36 T9S R21E
 Co., State : Uintah, Utah

Field :
 Formation :
 Coring Fluid : Water Base Mud
 Elevation :

File No.: 57122-8043
 Date : 19-Oct-1996
 API No.:
 Analysts: DF SS

CORE ANALYSIS RESULTS

SAMPLE NUMBER	DEPTH ft	PERMEABILITY (HORIZONTAL) K _{air} md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
Rotary Sidewalls								
1	4914.0	0.07	8.9	2.1	43.3	2.70	0.	Sst gry vf gr calc
2	5548.0		10.2	0.0	41.2	2.65	0.	Sst gry vf gr
3	5553.0		10.0	3.2	71.2	2.64	0.	Sst gry f gr
4	5561.0	0.32	8.1	0.0	68.6	2.65	0.	Sst gry f gr
5	5614.0	0.11	9.6	0.0	50.1	2.68	0.	Sst gry vf gr calc
6	5618.0	0.10	10.0	0.0	49.7	2.68	0.	Sst gry vf-f gr calc
7	5622.0	0.08	6.2	0.0	57.0	2.67	0.	Sst gry vf-f gr calc
8	5795.0	0.05	6.8	0.0	57.6	2.70	0.	Sst gry vf-f gr calc
9	7037.0	0.17	8.7	0.0	30.7	2.68	0.	Sst gry f-m gr calc
10	7042.0	0.12	6.6	0.0	59.4	2.68	0.	Sst gry f gr calc
11	7367.0		10.0	0.0	22.9	2.66	0.	Sst gry f-m gr calc
12	7372.0	0.22	8.4	0.0	49.1	2.67	0.	Sst gry f gr calc
13	7376.0	0.20	7.8	2.0	54.0	2.68	0.	Sst gry m-c gr calc
14	7414.0	0.21	9.4	0.0	55.0	2.68	0.	Sst gry f-m gr calc
15	7435.0	0.05	7.2	0.0	54.0	2.66	0.	Sst gry vf-f gr
16	7466.0	0.10	9.5	0.0	60.7	2.66	0.	Sst gry vf-f gr
17	7498.0	0.19	10.3	0.0	71.4	2.66	0.	Sst gry f-m gr
18	7508.0	0.22	10.1	0.0	64.5	2.66	0.	Sst gry f-m gr
19	7576.0	0.33	11.1	0.0	60.5	2.66	0.	Sst gry f-m gr
20	7582.0	0.30	10.1	0.0	63.4	2.65	0.	Sst gry f-m gr
21	7606.0	0.09	8.8	3.1	60.7	2.67	0.	Sst gry vf-f gr calc
22	7614.0	0.22	10.9	0.0	65.9	2.68	0.	Sst gry vf-f gr calc

CORE LABORATORIES

: Bascal Oil & Gas Corp.
 : Morgan St. #3-36
 Location : Ne Sec 36 T9S R21E
 State : Uintah, Utah

Field :
 Formation :
 Coring Fluid : Water Base Mud
 Elevation :

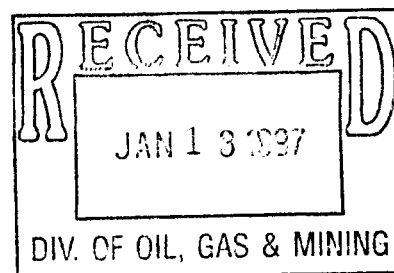
File No.: 57122-8043
 Date : 19-Oct-1996
 API No. :
 Analysts: DF SS

CORE ANALYSIS RESULTS (HYDROSTATIC CONFINEMENT)

SAMPLE NUMBER	DEPTH ft	NOB (800 psi) Kair md	POROSITY (HELIUM) %	SATURATION		GRAIN DENSITY gm/cc	GAS DETECTOR UNITS	DESCRIPTION
				(PORE VOLUME) OIL %	WATER %			
23	7681.0	0.040	9.6	0.0	50.5	2.66	8.	Sst gry vf gr
24	7686.0	0.044	7.6	0.0	53.3	2.67	9.	Sst gry f gr
25	7766.0	0.048	7.7	0.0	60.8	2.67	4.	Sst gry f gr
26	7834.0	0.022	6.0	0.0	46.2	2.67	8.	Sst gry f gr sh lam
27	7839.0	0.049	7.6	1.0	46.7	2.67	14.	Sst gry f gr
28	7978.0	0.048	7.8	1.5	50.1	2.67	9.	Sst gry f gr
29	8213.0	0.027	9.5	1.8	48.9	2.67	14.	Sst gry f gr
30	8220.0	0.057	8.6	1.1	50.0	2.66	9.	Sst gry f gr
31	8379.0	0.018	7.8	0.0	36.7	2.67	18.	Sst gry f gr sl calc
32	8396.0	0.020	7.3	0.0	38.2	2.68	22.	Sst gry f gr sl calc
33	8450.0	0.022	7.0	0.0	43.0	2.68	8.	Sst gry f gr sl calc
34	8521.0		6.8	0.0	37.1	2.70	0.	Sst gry f gr sl calc
35	8526.0	0.022	8.0	1.9	41.9	2.67	14.	Sst gry f gr
36	8562.0	0.016	7.5	2.0	36.2	2.69	30.	Sst gry f gr
37	8584.0	0.017	8.0	1.4	28.8	2.68	32.	Sst gry vf-f gr sh lam
38	8620.0	0.015	5.9	1.6	32.0	2.66	24.	Sst gry vf-f gr
39	8672.0	0.025	7.4	1.8	29.8	2.67	10.	Sst gry vf-f gr
40	8678.0	0.032	8.3	1.2	32.2	2.68	22.	Sst gry vf-f gr
41	8806.0	0.399	5.3	2.1	25.8	2.58	56.	Sst gry f gr carb lam
42	8831.0		2.2	0.0	78.9	2.55	19.	Sst gry f gr sh lam
43	9045.0	0.005	6.2	0.0	45.2	2.68	30.	Sst gry vf gr sh lam
44	9324.0	0.052	10.2	0.0	35.0	2.68	2.	Sst gry vf-f gr
45	9355.0	0.077	10.5	0.0	30.8	2.66	9.	Sst gry f gr
46	9361.0		10.9	0.0	31.5	2.66	4.	Sst gry f gr
47	9419.0	0.010	4.6	0.0	43.5	2.58	57.	Sst gry vf-f gr sh



January 9, 1997



Morgan State #3-36
API # 43-047-32589
Uintah County, Utah

Ms. Vicky Dyson
State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Dear Ms. Dyson:

Enclosed please find a copy of the GR/CCL/CBL log for the above referenced well as requested in your letter dated January 5, 1997. If you need any further information or have any questions, please call me at (303) 573-4455.

Sincerely,

Sheila Bremer
Environmental & Safety Analyst

Enclosure

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303-572-1121

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages: 521' FNL & 1940' FWL

QQ, Sec., T., R., M.: NWNE Section 36 T9S-R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Perf. frac Wasatch & co-mingle w/ Mesaverde</u> | |

Approximate date work will start Upon approval

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

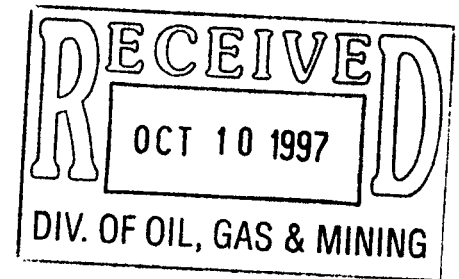
Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached procedure for work to be performed on the subject well.



13.

Name & Signature

Sheila Bremer

Title

Sheila Bremer

Environmental & Safety Analyst

Date

10/8/97

(This space for State use only)

APPROVED BY THE COMMISSIONER
10/16/97
John R. Boyer

Morgan-State #3-36 - Workover Procedure

Section 36-9S-21E

Uintah County, UT

September 19, 1997

ELEVATION: 5014' GL; 5036' KB
TOTAL DEPTH: 9510' PBTD: 9423'
CASING: 8-5/8" 32# J-55 at 2533'
5-1/2", 17#, N-80 to 9505'
TUBING: 2-3/8" 4.7# set at 8357'
PERFORATIONS: Current: 7366'-9361' (Mesaverde)
Proposed: New 5548-7044' (Wasatch) + existing Mesaverde

PROCEDURE: Two-stage pumped w/down csg-tbg annulus. Sand plug over first stage.

Materials Required: ±1200 useable bbls, ±140,000 lbs 20/40, 750 gal 15% HCl, and a variety of chokes

1. MIRU pulling unit. Control well w/filtered 2% KCl w/Cla-Sta and Surfactant. ND tree/NU BOPs. POOH w/2-3/8" tbg f/8357'.
2. RU Cutters or OWP. Set 5-1/2" 17# CIBP ~~w/check valve~~ @ 7050'. **Perforate 7036-44'** w/4" guns, 4 spf, 90° phasing, 32 holes. Depths correlate to Schlumberger CNL/LDT run #1 10/16/96. RU hot oiler and establish injection into perforations. If necessary, arrange for a 500 gal 15% HCL breakdown on next step.
3. TIH w/2-3/8" tubing. Spot acid and breakdown perms only if necessary. Land tubing at 5500'. ND BOP's/NU tree. RDMO pulling unit.
4. RU frac equipment on annulus. Pump per the attached pump schedule. Estimated proppant volume is 30,000# 20/40 ramped 2-6 ppa in YF120 Low-Gel system. **No tracer.** In the event of screen-out, circulate excess slurry to pit. Underdisplace the frac by 7 bbls to spot sand plug and leave 750 gal 15% HCL across the interval 5300-6050' (will need ±16 bbls 2% KCl spacer between slurry and acid). Monitor G-function plot for closure up to one hour. At closure or one hour, test sand plug to 5000 psi. If necessary, pump at 1 bpm to set sand plug. **Slowly bleed pressure on well back to 2000 psi.** *If plug fails to hold set CIBP @ ± 6000-6500'.*
5. RU E/L. TIH w/1-11/16" guns loaded 4 spf, 0° phasing. Tag sand plug & note on report. Perforate as follows: (Depths correlate to Schlumberger CNL/LDT run #1 10/16/96).
5795-98' (3') 5616-20' (4') 5549-52' (3') 40 holes
Note pressure changes while perforating. If pressure drops, commence pumping down annulus at 1 bpm to counter crossflow and keep perms 5549-798' open.
6. Frac stage #2 per the attached pump schedule. Estimated proppant volume is 75,000# 20/40 and 25,000# CR4000 ramped 2-6 ppa. **Trace w/iridium.** In the event of screen-out, circulate excess slurry to pit. Note ISIP/5/10/15/30 min SICP. Commence flowback on 18/64" choke. **Notify Pro-Technics for required equipment when CO flat tank.**
7. Consult w/Denver whether to run production & GR logs.
8. DO CIBP and lower the tubing when rate falls to +/-500 MCFD.

TLH

FORM #

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

COPY

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.

Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well:

OIL ☐GAS ☒

OTHER:

2. Name of Operator:

Coastal Oil & Gas Corporation

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well

Footages:

See attached spreadsheet

QQ, Sec., T., R., M.:

5. Lease Designation and Serial Number:

See attached spreadsheet

6. Indian, Alutian or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

See attached spreadsheet

9. API Well Number:

43, 047, 32589

See attached spreadsheet

10. Field and Pool, or Wildcat:

Natural Buttes

County: Uintah

State: Utah

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

☐ Abandon☐ Repair Casing☐ Change of Plans☐ Convert to Injection☐ Fracture Treat or Acidize☐ Multiple Completion☒ Other Dispose water☐ New Construction☐ Pull or Alter Casing☐ Recompletion☐ Perforate☐ Vent or Flare☐ Water Shut-Off

Approximate date work will start

Upon approval

SUBSEQUENT REPORT

(Submit Original Form Only)

☐ Abandon *☐ Repair Casing☐ Change of Plans☐ Convert to Injection☐ Fracture Treat or Acidize☐ Other☐ New Construction☐ Pull or Alter Casing☐ Perforate☐ Vent or Flare☐ Water Shut-Off

Date of work completion

Report results of b) Multiple Completions and b) Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

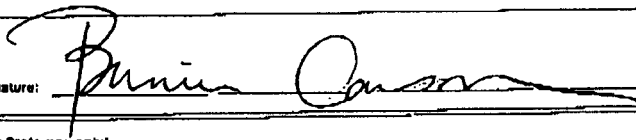
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The Operator requests permission to dispose of produced water from the subject wells to the NBU #159 salt water disposal well. The water will be produced into tanks and transported by truck to the NBU #159. The subject wells are not part of the Natural Buttes Unit; however, the NBU #159 is a Unit well, located NW/SW Section 35, T9S-R21E.

Attached is an analysis of the injection zone water of the NBU #159, as well as a composite analysis of the water produced from three of the Section 36 wells.

13.

Name & Signature:



Bonnie Carson

Title: Senior Environmental Analyst

Date

12/01/97

(This space for State use only)

Accepted by the State
of Utah Division of
Oil, Gas and Mining

Date: 12-2-97

By: 

(5/84)

(See instructions on Reverse Side)

Well Name	Location	Lease #	API #
Morgan State #1-36	2215' FNL & 1876' FWL Sec. 36 T9S-R21E	ML-22265	43-047-30600
Morgan State #2-36	900' FNL & 804' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32585
Morgan State #3-36	521' FNL & 1940' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32589
Morgan State #4-36	1912' FNL & 649' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32729
Morgan State #5-36	2100' FSL & 1800' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32735
Morgan State #6-36	1790' FNL & 712' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32810
Morgan State #7-36	660' FNL & 1980' FWL Sec. 36 T9S-R21E	ML-22265	43-047-32811
Morgan State #8-36	650' FNL & 690' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32812
Morgan State #9-36	1894' FNL & 1978' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32815
Morgan State #10-36	1794' FNL & 649' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32816
Morgan State #11-36	1943' FSL & 1843' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32813
Morgan State #12-36	1992' FSL & 722' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32814
Morgan State #13-36	540' FSL & 815' FEL Sec. 36 T9S-R21E	ML-22265	43-047-32817

EVERGREEN ANALYTICAL, INC.
4036 Youngfield St. Wheat Ridge, CO 80033
(303)425-6021

NBU-159

SWB

Miscellaneous Analyses

Date Sampled : 6/12/93
Date Received : 6/23/93
Client Sample ID.: NBU UINTAH
Lab Sample No. : X72532

Client Project ID. : NBU UIC
Lab Project No. : INJECTION PROJ
Matrix : 93-2120
: Liquid phase

<u>Analysis</u>	<u>Result</u>	<u>Date Prepared</u>	<u>Date Analyzed</u>	<u>Method</u>
pH	7.84	6/23/93	6/23/93	EPA 150.1
Total Dissolved Solids (mg/L)	65200 (6.5%)	6/28/93	6/28/93	EPA 160.1
Specific Gravity @ 60°F	1.0451	6/29/93	6/29/93	ASTM D1217



Analyst

Approved

212001.18

EXHIBIT "G2"

NBU #159

SWD

EVERGREEN ANALYTICAL, INC.
4036 Youngfield St. Wheat Ridge, CO 80033
(303) 425-6021

INORGANIC ANALYSIS DATA SHEET

Data Sampled : 6/12/93
Date Received: 6/23/93
Date Prepared: 6/24/93
Date Analyzed: 6/29/93

NBU UIC
Client Project : INJECTION PROJ.
Lab Project No.: 93-2120
Method : 600/4-79-020
Matrix : Water

Units: mg/L

Basis: Dissolved Metals

Client
Sample# NBU UNTAH

Evergreen
Sample# X72532

Detection
Limits

Ca	26
K	95
Mg	12
Na	23000

0.1
1.5
0.02
0.3

DC
Analyst

WKF
Approved

EVERGREEN ANALYTICAL, INC.
4036 Youngfield Street Wheat Ridge, CO 80033
(303) 425-6021

NBU #759
SWD

Anions

Date Sampled : 6/12/93
Date Received : 6/23/93
Date Prepared : 6/23/93
Date Analyzed : 6/23/93

Client Project ID : NBU UIC INJECTION PROJ
Lab Project No. : 93-2120
Method : EPA Method 300.0

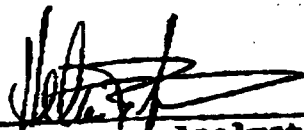
Client Sample ID
Evergreen Sample #
Matrix
Chloride (mg/L)
Nitrite-N (mg/L)*
Sulfate (mg/L)


NBU					
UINTAH					
X72532					
Liquid					
Waste					
42800(4.34)					
<38.0					
3.13					

To: Joe Stahl	From: Carol Smith
cc: Carol	cc: 7/6/00
Dept.	Phone
Fax: 573-4477	Fax

PAGE 20

* Sample received after holding time expired. Detection limit raised due to matrix interference.


Analyst


Approved

2120ml.24

EXHIBIT "G3"

DEC 1 1997 10:15 FR BJ SERVICES-VERNAL 801 789 4530 TO 7894436

P.01

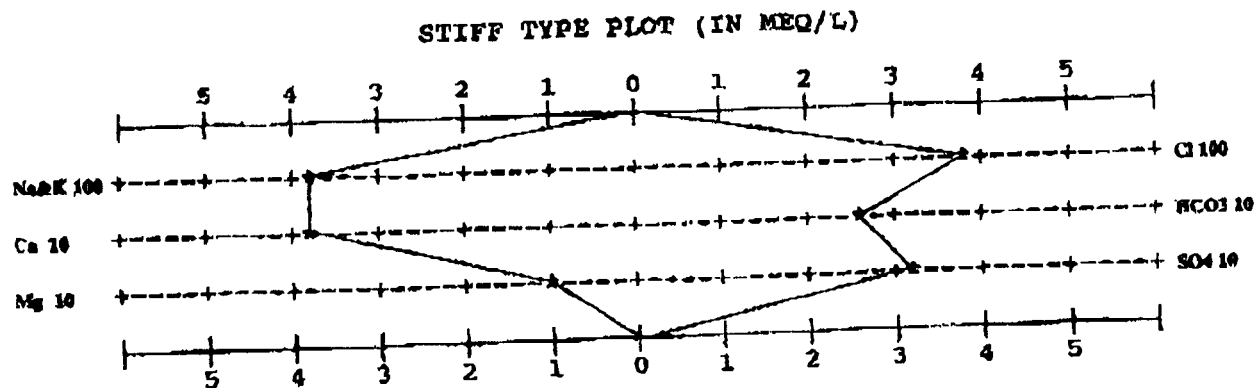
FW01W273

BJ SERVICES COMPANY
WATER ANALYSIS #FW01W273
VERNAL LAB

Morgan State
 3-36, 5-36, 13-36

GENERAL INFORMATION	
OPERATOR:	COASTAL
WELL:	MORGAN STATES-36, 13-36, 3 ³⁶
FIELD:	NATURAL BUTTE
SUBMITTED BY:	
WORKED BY:	TROY HINEMAN
PHONE NUMBER:	789-4436
DEPTH:	
DATE SAMPLED:	11/19/97
DATE RECEIVED:	11/20/97
COUNTY:	UINTAH
FORMATION:	WASATCH
STATE:	UT

SAMPLE DESCRIPTION	
FILTERED WITH A DARK TINT.	
PHYSICAL AND CHEMICAL DETERMINATIONS	
SPECIFIC GRAVITY:	1.030 @ 68°F PH: 7.00
RESISTIVITY (CALCULATED):	0.155 ohms @ 75°F
IRON (FE++) :	50 ppm
CALCIUM:	777 ppm
MAGNESIUM:	118 ppm
CHLORIDE:	13,201 ppm
SODIUM+POTASS:	11,839 ppm
IODINE:	
SULFATE:	1,553 ppm
TOTAL HARDNESS	2,429 ppm
BICARBONATE:	1,540 ppm
SODIUM CHLORIDE (Calc)	21,715 ppm
TOT. DISSOLVED SOLIDS:	30,562 ppm
POTASSIUM CHLORIDE:	
REMARKS	
CARBOHYDRATES .204	



ANALYST

TROY HINEMAN

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

Rec'd
2.12.98

SUNDRY NOTICES AND REPORTS ON WELLS

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1. Type of Well: OIL ☐ GAS ☒ OTHER:

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Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages: 521' FNL & 1940' FWL

QQ, Sec., T., R., M.: NWNE Section 36 T9S-R21E

County: Uintah

State: Utah

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes Field

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
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| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|---|---|
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| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Perf. frac Wasatch & co-mingle w/Mesaverde</u> | |

Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological history for work performed on the subject well.

13. Name & Signature Bonnie Carson Title Sr. Environmental Analyst

Date 1/30/98

(This space for State use only)

WD tax credit 10/98

Recompletion

- 12/16/97 **Perf 7036-7044.** MIRU. ITP 430, ICP 350. Catch plunger. Kill tbg w/40 bbl 2% KCL. ND well head. NU BOPs. Strip out tbg hanger. LD 41 jts tbs. Strap out of hole, rig up Cutters, run 4.5 gauge ring. POOH. PU CIBP. RHH, set @ 7060. SIFN.
DC: \$5,036 TC: \$5,036
- 12/17/97 **MO & wait on frac.** RHH w/4" zone gun, 4 spf 90 deg phasing, perf f/7036-7044', 8' 32 holes, 0 psi. RHH w/notched collar, 1 jt 2-3/8" tbg, xn nipple & 266 jts 2-3/8" tbg. EOT @ 7058'. RU pump & lines, fill well w/130 bbls 2% KCL, brk dwn @ 1400# inj @ 3-1/2 BPM @ 1200# f/13 bbls. POOH & LD 51 jts 2-3/8" tbg. EOT @ 5188'. Land tbg w/elast jt under tbg hanger. ND BOP, NU WH. SWI. Rlsd rig & equip. SDFN.
DC: \$ 6,518 TC: \$11,552
- 12/22/97 **POH tubing.** MIRU DS frac equip. PT lines to 8015, start & pump pad, 46 bbls. Ramp 2-6# 20/40 sand 31090# in 200 bbls slurry. Go to flush pump, 23 bbls s water, 18 bbls 16% HCL, 102 s. water. ISIP 2216, 6 min-2147, 10 min-2098, 15 min 2064. Avd & max rate 22 bbls/min. Adv psi - 2900, max psi - 300.wait 1 hr, psi - 1932, pump 18 bl, no hold, call Denver, pump 4 bbls, no hold pump 3272# 20/40 sand in 11 bbls down tbg, flush 45 bbls s water @ 5 bbls s/m slow to 1 bb/min pump last 78 bbls @ 1 bbl/min 2200# psi. No hold. Decide to pull tbg & set CIB. RD & release DS. MIRU Pennant 4. RU Cutter WL. Set plug in tbg @ 5463'. RD tree, RU BOPs. SWSDFN.
DC: \$40,449 TC: 45,777
- 12/23/97 **RU to frac.** SITP & SICP 1000#. Bleed off slow. PU on tubing. LD donut & blast jt. POH & std back tbg. MIRU Cutter WL. RHH 55-17# CIB. Set @ 6021, POH. PU RHH 4" casing gun 4 jsp. Correlate to Sch CNL-LDT date 10/18/96. Perf 5795-98, 5616-20, 5549-52. No psi increase. POH, RD & release Cutter. PU RHH n-collar, 1 jt, xn-hipple 1/5 jts 2-3/8 tbg, 10' blast jt. Land in hanger with donut, ND BOPs, NU tree, SWSDFN. EOT 5488'. Xn nipple @ 5457'.
DC: \$17,818 TC: \$63,595
- 12/24/97 **Flowback after frac.** MIRU DS frac equip. PT lines to 5992#. Start job @ 2 bbls/min. Broke @ 1770, pump 18 bbls 15% HCL, 131 bbls. Pad ramp 2-6# sand, 101380# 20/40 in 612 bbls slurry. Go to flush 100 bbls. ISIP 1780, 5 min-1686, 10 min - 1374, 15 min-1287, 30 min - 1149. Adv pump rate & max pump rate 26 bbls/ min. Adv psi-2200, max psi-2367, open to pit @ 11 AM, 1100 CP & TP on 18/64" ck. Change to 32/64" @ 3PM, 0TP, casing on vac. Clean fluid & loan 761 bbls. Well to flow thru night. Flowback 300 mcf, 40 BW, FTP 50#, FCP 700#, 32/64" ck, LLTR 1116 bbls.
DC: \$39,251 TC: \$102,846
- 12/25/97 Flowback 400 mcf, 98 BW, FTP 300#, FCP 580# 18/64" ck, LLTR 1018 bbls.
- 12/26/97 Flwg 400 MCF, 0 BW, FTP 300#. CP 650#, 17/64" ck, 24 hrs.
- 12/27/97 Flwg 384, 37 BW, FTP 130#, CP 200#, 30/64# ck, 24 hrs. LLTR 1055 bbls.
- 12/28/97 Flwg 199 MCF, 18 BW, FTP 125#, CP 190#, 30/64" ck, 14 hrs, dn 10 hrs, dumps on sep stuck open.
- 12/29/97 Flwg 503 MCF, 25 BW, FTP 120#, CP 250#, 30/64" ck, 24 hrs.
- 12/30/97 Flwg 486 MCF, 8 BW, FTP 250#, CP 360#, 30/64" ck, 24 hrs.
- 12/31/97 Flwg 515 MCF, 8 BW, FTP 140#, CP 250#, 30/64" ck, 24 hrs.
- 1/1/98 Flwg 496 MCF, 5 BW, FTP 250#, CP 300#, 40/64" ck, 24 hrs.
- 1/2/98 **RD Cudd. RHH, drill CIBPs.** RHH w/slick line, set plug in xn nipple. MIRU TWS #1. ND well head. NU BOPs, RU snubbers, held safety meeting. POOH. PU 4-3/4 mill & pump off bit sub. Ran 117 jts in hole. SIFN.
DC: \$12,192 TC: \$75,777

1/3/98 **RIH. Drill CIBP.** ICP 105 psi. Land tbg & RD snubbing unit. NU stripping head. RU floor & RIH w/30 stds. Tally & pu 10 jts 2-3/8" tbg. Tag @ 5800' tight, pull 3 jts. Break circ @ 5697'. Clean sand to 6021'. Drlg on CIBP 30 mins @ 6021', Circ clean. Pull 10 stds. EOT 5418. SIFN.
DC: \$ 6,173 TC: \$81,950

1/4/98 Rigs shut down for Sunday. No report.

1/5/98 **RIH w/ tbg & f/CO & drlg CIBP.** SICP 1000 psi, SITP 0 psi. RIH w/tbg. Tag SD @6000'. RU swivel & b/circ w/air foam. CO f/6000' to 6021'. Drlg up CIBP @ 6021'. PU & RIH w/tbg. Tag SD @ 6900'. CO to 6916'. Circ hole clean & pump 10 bls 2% KCL dn tbg. RD swivel & POOH w/tbg f/above perf. EOT @ 5450' & SWIFN @ 6:30PM.
DC: \$7,041 TC: \$88,991

1/6/98 **RIH, drlg on plug.** ICP 850 psi. Blew down. RIH w/23 stds & 3 singles. Break circ @ 7008. Tag @ 7040'. Push & mill on #1 plug down to No 2 CIBP @ 7060'. Mill on both getting close increase in flow circ. Clean pump 10 bbl. Kill tbg. RD swivel. POOH 51 jts. EOT 5450'. SIFN.
DC: \$12,489 TC: \$140,711

1/7/98 **RIH w/tbg & drlg CIBP #2.** SICP 1000 psi, SITP 0 psi. WO radiator f/foam unit & inst on motor. RIH w/25 std tbg. RU swivel & chg starter on motor. B/circ w/air foam @ 7000' & wash dn to 7060'. Drlg on CIBP # 2 & push plug to 7076' & drlg on CIBP. Circ hole & pump 10 bls 2% KCL dn tbg. RD swivel & POOH w/26 std & single f/above perf. EOT 5400'. SWIFN.
DC: \$5,943 TC: \$146,654

1/8/98 **RIH w/tbg & drlg on CIBP.** SICP 850 psi. SITP 0 psi. Blow well dn. POOH w/64 std tbg. RU pump & lines. Kill well w/70 bls 2% KCL f/POOH w/tbg & mill. Chg mill & RIH w/tbg. RU swivel & b/circ w/air foam @ 6090'. Wash dn to CIBP @ 7076'. Drlg on CIBP. Circ hole & pump 10 bls 2% KCL dn tbg. RD swivel & POOH w/51 jts tbg f/above perf. EOT @ 5450'. SWIFN.
DC: \$6,909 TC: \$153,563

1/9/98 **RIH w/tbg & drlg on CIBP.** SICP 900 psi, SITP 0 psi. Blow well dn. RIH w/25 stds tbg. RU swivel & b/circ w/air foam @ 7055'. Wash dn to 7076' CIBP. Drlg on plug f/8 hrs made 8" hole. Circ hole & pump 10 bls 2% dn tbg. RD swivel & POOH w/51 jts tbg f/above perf. EOT @ 5450' SWIFN @ 5:30 PM.
DC: \$ 6,267 TC: \$159,830

1/10/98 **POOH w/tbg & bit.** SICP 930 psi. SITP 0 psi. RIH w/tbg. RU swivel & air foam unit. Drill on plug for 8 hrs. Did not make hole. RD swivel. POOH w/2-3/8" tbg above perfs 5450' SDFN.
DC: \$ 6,098 TC: \$165,919

1/11/98 SD for Sunday. No activity.

1/12/98 **RIH w/tbg. Mill on CIBP.** SICP 1000 psi. SITP 0 psi. Blow well dn. POOH w/tbg & mill w/well flowing @ 10 std pump 20 bls 2% KCL dn csg f/POOH w/tbg & mill. Flow well to pit & WO mule shoe w/3/8 cable inside. PU & MU mule shoe, bumper sub. Pump 40 bls 2% KCL dn csg. RIH w/tbg w/160 jts flowing over tbg. Pump 10 bls 2% KCL nd tbg f/RIH w/tbg to 7060'. RU swivel & b/circ w/air foam. Mill on CIBP @ 7076 f/2-1/2hrs, mard 2" circ hole pump 10 bls 2% KCL dn tbg. RD swivel & POOH w/51 jts tbg f/above perf. EOT @ 5460' SWIFN @ 5:30 PM.
DC: \$6.402 TC: \$172,321

1/13/98 **RIH w/tbg & land.** SICP 900 psi. SITP 350 psi. Blow well dn. Pump 10 bls 2% KCL dn tbg. RIH w/25 st tbg. RU swivel & b/circ w/air foam @ 7060'. Mill on CIBP @ 7076'. Made 4" hole. Circ hole & pump 10 bls dn tbg. Run dn & beat on plug. RD swivel. POOH & LD 3 jts w/drag. POOH w/tbg & mule shoe 85 std. Pump 30 bls dn csg f/POOH w/tbg & mule shoe. Break & LD mule shoe & BS. Drain pump & lines. SWIFN.
DC: \$6.467 TC: \$178,788

1/14/98 **RU Delsco & swab.** SICP 900 psi. Blow well dn. Pump 60 bbl 2% KCL dn csg. PU, NC & XN SN & RIH w/180 jts 2-3/8" tbg. Kill tbg w/15 bbl 2% KCL f/RIH w/221 st 2-3/8" jts tbg. POOH & LD 35 jts tbg. Kill tbg w/10 bbl 2% KCL. PU hanger & land tbg w/168 jts 2-3/8 4.7 N-8. EOT @5795' & XN SN @ 5762'. RU & broach tbg to SN. RD tbg equip & floor. ND BOPS & NU WH. Drain up pump & lines. RD & MO. PU @ 2:30 PM.
DC: \$4,285 TC: \$183,073

1/15/98 Flwg 800 MCF, 0 BW, FTP 200#, CP 625#, 30/64" ck.

1/17/98 Flwg 433 MCF, 40 BW, FTP 180#, CP 352#, 30/64" ck, 24 hrs.

1/18/98 Flwg 522 MCF, 47 BW, FTP 206#, CP 359#, 30/64" ck, 24 hrs.

1/19/98 Flwg 530 MCF, 65 BW, FTP 208#, CP 343#, 30/64" ck, 24 hrs.
Prior prod: Flwg 274 MCF, 5 BW, FTP 150#, CP 440#, 30/64" ck 24 hrs.
Final Report

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages: 521' FNL & 1940' FNL

QQ, Sec., T., R., M.: NWNE Section 36 T9S-R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

11.

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
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| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
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| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
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| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
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| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Trip Tbg f/Slickline Tools |

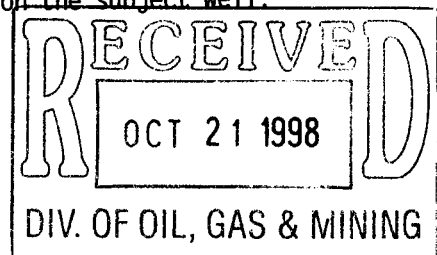
Date of work completion 10/5/98

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached chronological history for work performed on the subject well.



13.

Name & Signature

Sheila Bremer

Title

Sheila Bremer

Environmental & Safety Analyst

Date 10/19/98

(This space for State use only)

Trip Tbg f/Slickline Tools

10/01/98 **RU & swab.** RDMO. SICP 350 psi, FTP 70 psi. Blow dn well. ND WH. NU BOPS. RU floor & tbg equip. RIH w/tbg to 5976'. Tag no sd. LD 6 jts & POOH w/tbg f/slickline tools on SN. LD slickline tools. Chg XN nipple for SN. RIH w/tbg & broach. PU hanger & land w/186 jts of 2 $\frac{3}{8}$ ", 4.7, J-55 tbg w/NC & SN. EOT @ 5795'. SN @ 5762'. RD floor & tbg equip. ND BOPS. NU WH. RU & swab. Made 3 runs, rec 9 bbls. IFL 3600', FFL 4800'. FCP 240 psi, FTP 0 psi. RD swab. SWIFN.
DC: \$3,604 TC: \$3,604

10/02/98 **Trip plunger & put well on prod.** SICP 350 psi, SITP 300 psi. Drop plunger. Open tbg up & blow dn. No plunger. RU & swab. Made 6 runs, rec 8 BW. IFL 4500', FFL 5762' SN. SICP 420 psi, FTP 50 psi. Drop 4 soap sticks. SI for PBU @ 11:45 am. RDMO.
DC: \$1,733 TC: \$5,337

10/03/98 **MIRU & trip tbg f/tight spot @ 5468'.** RU Delsco & RIH w/JDC tools. Tight spot @ 5468' - jar out. RIH w/impression block, stop @ 5468' & jar out. Showed mark on side block & none on face. RIH w/broach. Stop @ 5468'. Work broach & jar out. RD Delsco.
DC: \$1,000 TC: \$6,337

10/04/98 **SI for PBU.** ITP 420 psi, ICP 460 psi. Blew dn well. ND WH. NU BOPS. POOH. Found scale plug @ 5481'. Change out 23 jts. Clean plugged tbg & retrieve stuck plunger. RIH w/prod string, NC, 1 jt, PSN, 185 jts. Land tbg w/EOT @ 5815', PSN @ 5782'. ND BOP, NU WH. SI for PBU. RDMO.
DC: \$4,600 TC: \$10,937

10/05/98 Flwg 196 MCF, 15 BW, FTP 261 psi, FCP 285 psi, 64/64" ck, 24 hrs. **Final Report.**

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

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5. Lease Designation and Serial Number

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N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

11.

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Site Security Plan |

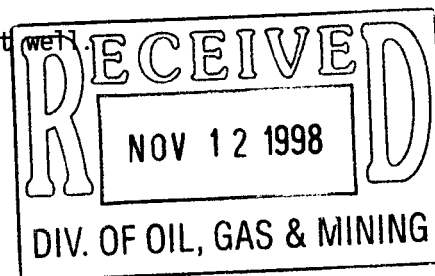
Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached updated site security diagram for the subject well.



13.

Name & Signature

Sheila Bremer

Title

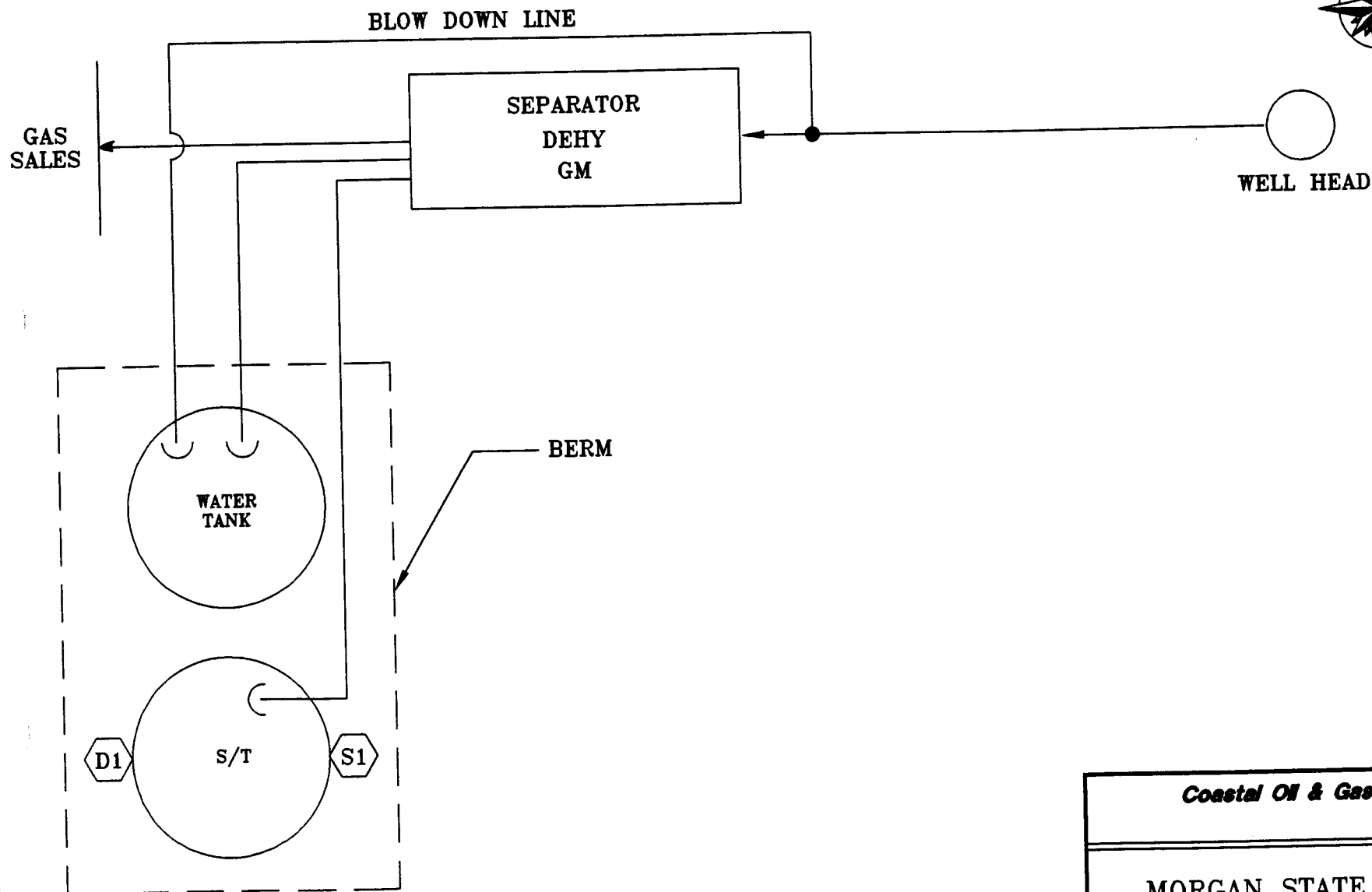
Sheila Bremer

Environmental & Safety Analyst

Date

11/9/98

(This space for State use only)



This lease is subject to the site security plan for the Natural Buttes Field for Coastal Oil & Gas. The plan is located at: Coastal Oil & Gas Corp. Vernal District Office 368 South 1200 East Vernal, UT 84078

Coastal Oil & Gas Corporation

MORGAN STATE #3-36
NW NE SEC. 36 T9S-R21E
ML-22265

POSITION OF VALVES AND USE OF SEALS DURING PRODUCTION

VALVE	LINE PURPOSE	POSITION	SEAL INSTALLED
D1	Drain	Closed	Yes
S1	Sales	Closed	Yes

POSITION OF VALVES AND USE OF SEALS DURING SALES

VALVE	LINE PURPOSE	POSITION	SEAL INSTALLED
D1	Drain	Closed	Yes
S1	Sales	Open	No

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435)781-7023

4. Location of Well

Footages: 521'FNL & 1940'FEL

QQ, Sec., T., R., M.: NW/NE Sec. 36, T9S, R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes

County: Uintah

State: Ut

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

11.

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | Completion Report |

Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Subject well placed on production on 9/20/00. Please refer to the attached Chronological Well History.

13.

Name & Signature

Cheryl Cameron

Title

Cheryl Cameron

Sr. Regulatory Analyst

Date 12/4/00

(This space for State use only)

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DIVISION OF
OIL, GAS AND MINING

COASTAL OIL & GAS USA, L.P.

CHRONOLOGICAL HISTORYMORGAN STATE #3-36

Page 1

Natural Buttes Field

Uintah County, UT

PBSD: 9451'

DRILL OUT BP AND COMMINGLE ZONES, AFE:

FORMATION: WAS-MESA VERDE

CWC(\$M):

09/12/00 **PREP TO DO CIBP.**
PROG: MIRU. POOH W/ TBG. PU & SIH W/ MILL & 2 3/8" TBG. EOT @ 5,490'.
(DAY 1)

09/13/00 **MILLING CIBP.**
PROG: RIH & TAG CIBP @ 7060#. MILL ON PLUG 5 1/2 HRS, MADE 9". POOH W/ MILL.
(DAY 2)

09/14/00 **POOH & LD MILL.**
PROG: RIH W/ 4 3/4" MILL & MILLED ON CIBP. PLUG FELL FREE & WAS PUSHED DN
HOLE TO 9426'. PUH TO 5490'.
(DAY 3)

09/15/00 **FLWG TO SALES.**
PROG: CP: 1800#. BLEW WELL DN. POOH & LD MILL. RIH W/ 65 STANDS & WELL
STARTED TO FLOW. FLWD WELL ON 2" OPEN CHK @ 1,000#. TURNED TO SALES THRU
CSG VALVES. TOO HOT TO WORK.
(DAY 4)

09/16/00 **PROG:** FLWD 1638 MCF, 62 BW, 64/64" CHK, SITP: 0#, FCP: 480#, 16 HRS, LP: 186#.

09/17/00 **PROG:** FLWD 2172 MCF, 99 BW, 64/64" CHK, SITP: 0#, FCP: 350#, 24 HRS, LP: 154#.

09/18/00 **PROG:** FLWD 1345 MCF, 38 BW, 64/64" CHK, SITP: 0#, FCP: 1100#, 24 HRS, LP: 78#.

09/19/00 **RIH W/ 2 3/8" PROD BHA.**
PROG: WELL FLWG DN SALES SYSTEM. FCP: 340#, SITP: 300#, 48/64" CHK. LEFT WELL
FLWG. OVER NIGHT.
(DAY 5)

09/20/00 **SWAB & POP.**
PROG: PUMP 60 BBLS 2% KCL DN TBG. KILL WELL. RIH & LAND TBG ON WELL HEAD.
ND BOP. NU WH. EOT @ 9012', SN @ 8980', 290 JTS TBG IN WELL.
(DAY 6)

09/21/00 **PRODUCING TO SALES.**
PROG: 0 MCF, 0 BW, 64/64" CHK, FTP: 396#, CP: 961#, LP: 147#. DN 24 HRS. CODE 51 –
WO RIG. LOSS 1200 MCF. MIRU DELSCO SWAB. CP: 1230#, TP: 400#. BLEW DN IN 30
MIN. RIH W/ SWAB. IFL @ 2,800'. MADE 2 RUNS, REC 12 BBLS FLUID. WELL FLWG.
(DAY 7)

09/22/00 **PROG:** FLWD 1253 MCF, 68 BW, FTP: 246#, CP: 649#, 64/64" CHK, 24 HRS, LP: 97#. FINAL
REPORT. PRIOR PROD: 65 MCFPD, 2 BWPD.

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DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435)-781-7023

4. Location of Well

Footages: 521' FNL & 1940' FEL

QQ, Sec., T., R., M.: NW NE Section 36-T9S-R21E

County: Uintah

State: Utah

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #3-36

9. API Well Number:

43-047-32589

10. Field and Pool, or Wildcat

Natural Buttes

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Commingled/Remove CIBP</u> | |

Approximate date work will start Immediate

SUBSEQUENT REPORT
(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other _____ | |

Date of work completion _____

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests authorization to remove CIBP @ 7060', and commingle the Wasatch and Mesaverde formations.

Please refer to the attached procedure.

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DIVISION OF
OIL, GAS AND MINING

13. Name & Signature Sheila Upchego Title Jr. Regulatory Analyst

Date 8/31/00

(This space for State use only)

COPY SENT TO OPERATOR

Date: 9-7-00
Initials: CAD

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 9/6/2000
By: [Signature]

Morgan State #3-36
Section 36 – T9S – 21E
Uintah County, UT
August 17, 2000

TOTAL DEPTH: 9505' PBTD: 9453'

CASING: 5 ½", 17.0#, L\N-80 LT&C @ 9505'

TUBING: 2 3/8" EUE, J-55, (185JTS), PSN, 1 jt. w/NC, EOT @ 5815'

EXISTING
PERFORATIONS: Wasatch:
5549'-5798'

Mesaverde:
7036'-9461'

CIBP: 7060'

CURRENT PRODUCTION: 65 MCFD, 2 BWPD

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
5 ½" 17# L\N-80 csg	7,740	6,280	4.767	0.0232	0.9764
2 3/8" by 5 ½" annulus				0.0178	0.7463

DISCUSSION

The Morgan State 03-36 was completed in the Mesaverde Formation late in '96. The well initially produced at about 700mcf/d but declined rapidly. Late in '97 a CIBP was set above the Mesaverde and the well was completed in the Wasatch. The initial production rate was approximately 300mcf/d with production currently at about 70mcf/d.

The workover is designed to remove the CIBP placed above the Mesaverde and commingle both zones. Initial production for the well is projected at 333 mcf/d. The workover should add about 230 MMCF of net producing reserves.

PROCEDURE

1. MIRU workover rig. NDWH and NUBOP. POOH with 2-3/8" tubing.
2. Flow/kill well. MIRU air-foam unit. GIH w/ 4 ¾" mill. Mill-up CIBP at 7060', and clean out to PBTD at 9423'. Circulate hole clean and POOH.

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DIVISION OF
OIL, GAS AND MINING

3. RIH w/ NC, 1 jt tubing, PSN, and tubing to land at 9000'.
4. POP or swab as required.

KAM

Approvals: Prod. Manager _____ Tech Mgr. _____ VP _____

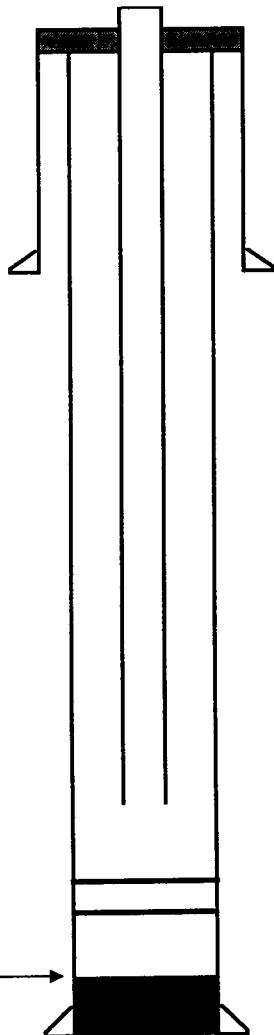
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OIL, GAS AND MINING

Wellbore Diagram for Morgan State #3-36

DATE: 08/14/00 WELL: ms 06-36 COUNT Uintah SEC: 36
 FOREMAN: _____ FIELD: Natural Buttes STATE: Utah TWS: 9
 KB: 19.00 RIG No: _____ RGE: 21



CASING RECORD

SIZE	WT	GRADE	THD	FROM	TO
13-3/8"	54.5#	J-55	8 rd	0	40'
8 5/8"	24#	J-55	8 rd	0	260'
5 1/2"	17#	N/L-80	8 rd	0	9505'

TUBING RECORD

SIZE	WT	GRADE	THD	FROM	TO
2-3/8"	4.7#	J-55	8 rd	0	5,815'

COMMENTS/PERFORATIONS:

5549' - 52'
5616' - 20'
5795' - 98'
7036' - 44'
7366' - 7841'
8213' - 8679'
8803' - 8829'
9324' - 9461'

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SEP 05 2000

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR:
El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY:

STATE:

UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Name Change</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

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JUN 19 2001

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

MAR 9 2001

DIVISION OF
OIL, GAS AND MINING



0610204 8100

010162788

Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 1061007

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

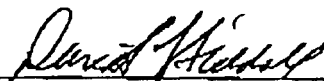
"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION



David L. Siddall
Vice President

Attest:


Margaret E. Roark, Assistant Secretary

RECEIVED

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS
2. CDW	<input checked="" type="checkbox"/>	5-LP <input checked="" type="checkbox"/>
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X MergerThe operator of the well(s) listed below has changed, effective: **3-09-2001**

FROM: (Old Operator):
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

CA No.

Unit:

WELL(S)

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
WONSITS STATE 8-32	43-047-33681	99999	32-07S-22E	STATE	GW	APD
STATE 32 21 (CA 9C-204)	43-047-30754	120	32-08S-21E	STATE	GW	P
OURAY 32-88 (CA 9C-204)	43-047-33391	12870	32-08S-21E	STATE	GW	P
OURAY 32-89 (CA 9C-204)	43-047-33392	12754	32-08S-21E	STATE	GW	P
OURAY 32-146 (CA 9C-204)	43-047-33623	12862	32-08S-21E	STATE	GW	P
GLEN BENCH ST 12-36-8-21 (CA 9C-205)	43-047-33287	12549	36-08S-21E	STATE	GW	P
TRIBAL 31-60 (CA 84688C)	43-047-33340	12563	31-08S-22E	STATE	GW	P
STATE 31 32 (CA 84688C)	43-047-30906	175	31-08S-22E	STATE	GW	P
TRIBAL 31-98 (CA 84688C)	43-047-33375	12685	31-08S-22E	STATE	GW	P
TRIBAL 31-128 (CA 84688C)	43-047-33460	12722	31-08S-22E	STATE	GW	P
TRIBAL 31-129 (CA 84688C)	43-047-33461	12739	31-08S-22E	STATE	GW	P
TRIBAL 31-132 (CA 84688C)	43-047-33462	12776	31-08S-22E	STATE	GW	P
MORGAN STATE 1-36	43-047-30600	5445	36-09S-21E	STATE	GW	P
MORGAN STATE 2-36	43-047-32585	11927	36-09S-21E	STATE	GW	P
MORGAN STATE 3-36	43-047-32589	12002	36-09S-21E	STATE	GW	P
MORGAN STATE 4-36	43-047-32729	12068	36-09S-21E	STATE	GW	P
MORGAN STATE 5-36	43-047-32735	12069	36-09S-21E	STATE	GW	P
MORGAN STATE 15-36	43-047-33094	12384	36-09S-21E	STATE	GW	S
MORGAN STATE 16-36	43-047-33093	12407	36-09S-21E	STATE	GW	P
HELLS HOLE 9103	43-047-31870	11027	36-10S-25E	STATE	GW	P

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
- Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: N/A
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 07/10/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/10/2001
3. Bond information entered in RBDMS on: 06/20/2001
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: 400JU0705

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: _____

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: _____

COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".

**United States Department of the Interior****BUREAU OF INDIAN AFFAIRS**

Washington, D.C. 20240

FEB 10 2003IN REPLY REFER TO:
Real Estate Services

**Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078**

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,**Director, Office of Trust Responsibilities****ACTING****Enclosure**

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

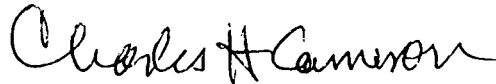
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.



CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono

JAN. 17. 2003 3:34PM

TPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:
3106
UTU-25566 et al
(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P.	:	Oil and Gas
410 Seventeenth Street, #2300	:	
Denver Colorado 80215-7093	:	

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

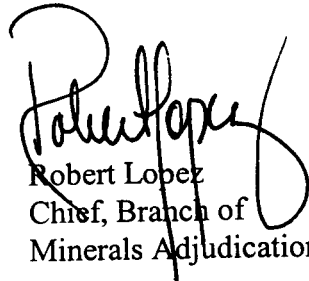
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER _____

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

Houston

STATE TX

77064-0995

PHONE NUMBER:

(832) 676-5933

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT) David R. Dix

TITLE Agent and Attorney-in-Fact

SIGNATURE _____

DATE 12/17/02

(This space for State use only)

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zc Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Signature

Date

March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

DIV. OF OIL, GAS & MINING

OPERATOR CHANGE WORKSHEET

1. GLH
2. CDW
3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

FROM: (Old Operator):	TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
MORGAN STATE 3-36	36-09S-21E	43-047-32589	12002	STATE	GW	P
MORGAN STATE 4-36	36-09S-21E	43-047-32729	12068	STATE	GW	P
MORGAN STATE 5-36	36-09S-21E	43-047-32735	12069	STATE	GW	P
MORGAN STATE 6-36	36-09S-21E	43-047-32810	12119	STATE	GW	P
MORGAN STATE 7-36	36-09S-21E	43-047-32811	12134	STATE	GW	P
MORGAN STATE 8-36	36-09S-21E	43-047-32812	12179	STATE	GW	P
MORGAN STATE 9-36	36-09S-21E	43-047-32815	12178	STATE	GW	P
MORGAN STATE 10-36	36-09S-21E	43-047-32816	12135	STATE	GW	P
MORGAN STATE 11-36	36-09S-21E	43-047-32813	12137	STATE	GW	P
MORGAN STATE 12-36	36-09S-21E	43-047-32814	12136	STATE	GW	S
MORGAN STATE 13-36	36-09S-21E	43-047-32817	12130	STATE	GW	S
MORGAN STATE 14-36	36-09S-21E	43-047-33092	13194	STATE	GW	P
MORGAN STATE 16-36	36-09S-21E	43-047-33093	12407	STATE	GW	S
MORGAN STATE 15-36	36-09S-21E	43-047-33094	12384	STATE	GW	S
UTE TRAIL 6 1 (CA CR-12)	06-09S-22E	43-047-30667	185	INDIAN	GW	P
STATE 6-56 (TRIBAL) (CA CR-12)	06-09S-22E	43-047-32699	11839	FEDERAL	GW	P
TRIBAL 6-64 (CA CR-12)	06-09S-22E	43-047-33338	12676	INDIAN	GW	P
FEDERAL 6-100 (CA CR-12)	06-09S-22E	43-047-33401	12695	FEDERAL	GW	P
HALL 6-135 (CA CR-12)	06-09S-22E	43-047-33440	12711	FEE	GW	P
HALL 6-136 (CA CR-12)	06-09S-22E	43-047-33437	12700	FEE	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the Oil and Gas Database on: 03/27/2003

2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/27/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT – for such proposals		6. Lease Designation and Serial Number ML-22265
		7. Indian Allottee or Tribe Name
		8. Unit or Communitization Agreement
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number MORGAN STATE 3-36
2. Name of Operator WESTPORT OIL & GAS COMPANY L.P.		10. API Well Number 43-047-32589
3. Address of Operator 1368 SOUTH 1200 EAST VERNAL, UTAH 84078	4. Telephone Number (435) 781-7024	11. Field and Pool, or Wildcat NATURAL BUTTES
5. Location of Well Footage : 521'FNL & 1940'FEL County : UINTAH QQ, Sec, T., R., M : NWN SECTION 36-T9S-R21E State : UTAH		
12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		

<p style="text-align: center;">NOTICE OF INTENT (Submit in Duplicate)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Multiple Completion</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>Approximate Date Work Will Start _____</p>	<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off	<input type="checkbox"/> Other _____		<p style="text-align: center;">SUBSEQUENT REPORT (Submit Original Form Only)</p> <table style="width: 100%;"> <tr> <td><input type="checkbox"/> Abandonment *</td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td><input type="checkbox"/> Casing Repair</td> <td><input type="checkbox"/> Pull or Alter Casing</td> </tr> <tr> <td><input type="checkbox"/> Change of Plans</td> <td><input type="checkbox"/> Shoot or Acidize</td> </tr> <tr> <td><input type="checkbox"/> Conversion to Injection</td> <td><input type="checkbox"/> Vent or Flare</td> </tr> <tr> <td><input type="checkbox"/> Fracture Treat</td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other <u>MAINTNANCE WORK</u></td> <td></td> </tr> </table> <p>Date of Work Completion <u>2/3/04</u></p> <p style="font-size: small;">Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.</p>	<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off	<input checked="" type="checkbox"/> Other <u>MAINTNANCE WORK</u>	
<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction																										
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<input checked="" type="checkbox"/> Other <u>MAINTNANCE WORK</u>																											

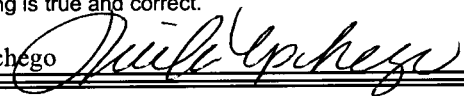
13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

THE SUBJECT WELL LOCATION WAS PLACED BACK ON PRODUCTION ON 2/3/04.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
APR 12 2004
 DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature Sheila Upchego  Title Regulatory Analyst Date 04/08/04
 (State Use Only)

WESTPORT OIL & GAS COMPANY, LP

CHRONOLOGICAL HISTORY

MORGAN STATE #3-36

Page 1

Natural Buttes Field
Uintah County, UT

MAINTENANCE

- 2/2/04** HELD SAFETY MEETING. RD RIG & EQUIP. RDMO NBU1021-2O. ROAD RIG TO MORGAN STATE 3-36. MIRU, SPOT EQUIP. WHP: 350#. BLEW WELL DN. NDWH, NUBOP, RU FLOOR & TBG EQUIP. 1:00 PM MIRU DELSCO WLS. ATTEMPT TO RIH W/ COLLAR STOP UPSIDE DN, WOULD NOT GO. RDMO DELSCO. (PLUNGER STUCK @ SN) PMP'D 40 BBLS 2% KCL DN TBG. POOH. W/ 2 STANDS. DID NOT SEE ANY TIGHT SPOTS. RIH W/ 2 STANDS, PU & TALLY 11 JTS 2 3/8" N-80 YELLOW/BND TBG. TAG FILL @ 9351'. (PBSD WAS @ 9408'), BTM MV PERF @ 9361'. POOH. LD 11 JTS ON FLOAT & STOOD BACK 289 JTS 2 3/8" TBG. RETREIVE PLUNGER & BUMPER SPRING. DRAIN PMP & LINES. FREEZE PROTECT WH. 6:30 PM SWI, SDFN. NOTE: LIGHT SCALE ON TBG WALL, APPROX 6000'- 9000'.
- 2/3/04** HELD SAFETY MEETING. BROACHING TBG. SICP: 500#. BLEW WELL DN FOR 45 MIN. KILL WELL W/ 75 BBLS HEATED 2% KCL WTR. RU 1.906" TBG BROACH. RIH W/ MULE SHOE, NEW +45 S.N. & 289 JTS 2 3/8" TBG. BROACH TBG EVERY 10 STDS. MIRU DELSCO WLS. RIH W/ 2 3/8" STANDING VALVE & SET IN SN @ 9011'. POOH. RU RIG PMP TO TBG. FILL TBG W/ 20 BBLS HEATED 2% KCL & PT TO 1000#. HELD GOOD. RIH W/ WL & LATCH ON TO STANDING VALVE @ 9011'. EQUALIZE PRESS. POOH & LD STANDING VALVE. RDMO DELSCO. LAND TBG ON HANGER. EOT @ 9015.52', +45 SN @ 9011.92'. RD FLOOR & TBG EQUIP. NDBOP. NUWH. RD RIG RACK EQUIP. DRAIN PMP & LINES. LEAVE WELL SI TO BUILD PRESS. LTR: 135 BBLS.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

6. Lease Designation and Serial Number
MULTIPLE WELLS- SEE ATTACHED

7. Indian Allottee or Tribe Name

8. Unit or Communitization Agreement
MULTIPLE WELLS- SEE ATTACHED

9. Well Name and Number

MULTIPLE WELLS- SEE ATTACHED

10. API Well Number

MULTIPLE WELLS- SEE ATTACHED

11. Field and Pool, or Wildcat

MULTIPLE WELLS- SEE ATTACHED

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
 Use APPLICATION FOR PERMIT – for such proposals

1. Type of Well

☐ Oil Well

☒ Gas Well

☐ Other (specify)

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3. Address of Operator

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

4. Telephone Number

435-781-7060

5. Location of Well

Footage : MULTIPLE WELLS- SEE ATTACHED

County : UINTAH

QQ, Sec, T., R., M : MULTIPLE WELLS- SEE ATTACHED

State : UTAH

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT

(Submit in Duplicate)

☐ Abandonment

☐ New Construction

☐ Casing Repair

☐ Pull or Alter Casing

☐ Change of Plans

☐ Recompletion

☐ Conversion to Injection

☐ Shoot or Acidize

☐ Fracture Treat

☐ Vent or Flare

☐ Multiple Completion

☐ Water Shut-Off

☒ Other VARIANCE

Approximate Date Work Will Start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

☐ Abandonment *

☐ New Construction

☐ Casing Repair

☐ Pull or Alter Casing

☐ Change of Plans

☐ Shoot or Acidize

☐ Conversion to Injection

☐ Vent or Flare

☐ Fracture Treat

☐ Water Shut-Off

☐ Other _____

Date of Work Completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part III C. a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & Gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct.

Name & Signature Debra Domenici Title Environmental Assistant Date 07/12/04

(State Use Only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
 Action Is Necessary

Date: 7/15/04

By: [Signature] See Instructions on Reverse Side

(8/90)

RECEIVED

JUL 14 2004

DIV. OF OIL, GAS & MINING

COPY SENT TO OPERATOR

Date: 7-16-04

Initials: CHD

Westport Oil & Gas, L.P.

Project Economics Worksheet

Instructions:

Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

Is this job a well pull or production rig job ??? ☐ N (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
Totals	\$0	\$350	\$350

Increased OPX Per Year

Investment Breakdown:

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

Production & OPX Detail:

	Before		After		Difference
Oil Production	0.192	BOPD	0.194	BOPD	0.002
Gas Production	0	MCFPD	0	MCFPD	0
Wtr Production	0	BWPD	0	BWPD	0
Horse Power		HP		HP	0
Fuel Gas Burned		MCFPD		MCFPD	0

Project Life:

Life = 20.0 Years
(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR = #DIV/0!

AT Cum Cashflow:

Operating Cashflow = (\$2,917) (Discounted @ 10%)

Payout Calculation:

Payout = $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}}$ = 1

Payout occurs when total AT cashflow equals investment
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

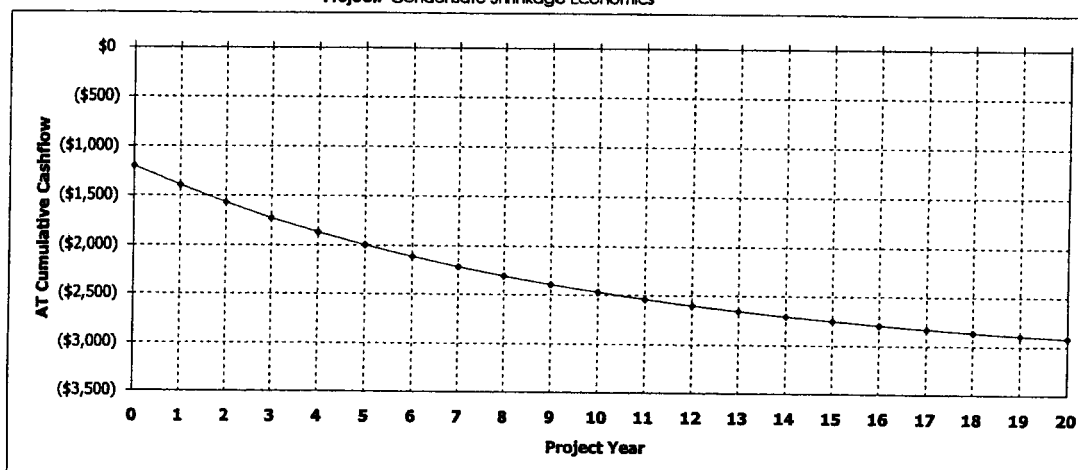
Gross Reserves:

Oil Reserves = 6 BO
Gas Reserves = 0 MCF
Gas Equiv Reserves = 38 MCFE

Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.194 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.
NBU/Ouray Field
RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl) (A)	Specific Gravity of Flashed Gas (Air=1.000)	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

Calculated at Laboratory Flash Conditions

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

Calculated Flash with Backpressure using Tuned EOS

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80° F with 1 cc water

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
ARCHY BENCH STATE 1-2	NENE SEC 2, T11S, R22E	ML22348A		4304731489
BAYLESS STATE 02-01	SWSE SEC 2, T9S, R20E	ML47044		4304734540
BONANZA 1023-2A	NENE SEC. 2, T10S, R23E	ML47062		4304735347
BONANZA 1023-2C	NENW SEC. 2, T10S, R23E	ML47062		4304735346
BONANZA 1023-2E	SWNW SEC. 2, T10S, R23E	ML47062		4304735345
KENNEDY WASH STATE 16-1	NWNW SEC 16, T8S, R23E	ML47212		4304733589
MORGAN STATE 01-36	SENE SEC 36, T9S, R21E	ML22265		4304730600
MORGAN STATE 02-36	NWNE SEC 36, T9S, R21E	ML22265		4304732585
MORGAN STATE 03-36	NWNE SEC 36, T9S, R21E	ML22265		4304732589
MORGAN STATE 04-36	NWSW SEC 36, T9S, R21E	ML22265		4304732729
MORGAN STATE 05-36	NWSE SEC 36, T9S, R21E	ML22265		4304732735
MORGAN STATE 06-36	SWNW SEC 36, T9S, R21E	ML22265		4304732810
MORGAN STATE 07-36	NENW SEC 36, T9S, R21E	ML22265		4304732811
MORGAN STATE 08-36	NENE SEC 36, T9S, R21E	ML22265		4304732812
MORGAN STATE 09-36	SWNE SEC 36, T9S, R21E	ML22265		4304732815
MORGAN STATE 10-36	SENE SEC 36, T9S, R21E	ML22265		4304732816
MORGAN STATE 11-36	NESW SEC 36, T9S, R21E	ML22265		4304732813
MORGAN STATE 12-36	NESE SEC 36, T9S, R21E	ML22265		4304732814
MORGAN STATE 13-36	SESE SEC 36, T9S, R21E	ML22265		4304732817
MORGAN STATE 14-36	SWSW SEC 36, T9S, R21E	ML22265		4304733092
MORGAN STATE 15-36	SESW SEC 36, T9S, R21E	ML22265		4304733094
MORGAN STATE 16-36	SWSE SEC 36, T9S, R21E	ML22265		4304733093
STATE 01-32	NESW SEC 32, T10S, R22E	ML22798	891008900A	4304734317
STATE 02-32	SESW SEC 32, T10S, R22E	ML22798		4304734831
STATE 03-32	NWSW SEC 32, T10S, R22E	ML22798		4304734832
STATE 1022-32A	NENE SEC. 32, T10S, R22E	ML22798		4304735096
STATE 1022-32J	NWSE SEC 32, T10S, R22E	ML22798		4304735095
STATE 1022-32M	SWSW SEC 32, T10S, R22E	ML-22798		
STATE 1022-32O	SWSE SEC. 32, T10S, R22E	ML22798		4304735315
STATE 11-36	NESW SEC 36, T8S, R21E	ML22051	9C-205	4304734505
STATE 14-16	SWSW SEC 16, T7S, R21E	ML40904		4304731417
STATE 31-32	SESE SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304730906
STATE 32-21	NESE SEC 32, T8S, R21E	ML22052	9C-204	4304730754
STIRRUP STATE 32-1	NWNE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731557
STIRRUP STATE 32-1-J	NWSE SEC 32, T6S, R21E	ML40226		4304731646
STIRRUP STATE 32-2	SENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731626
STIRRUP STATE 32-6 SWD	NENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304732784
UTE TRIBAL 31-060	NESW SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304733340
WONSITS STATE 01-32	SWNE SEC 32, T7S, R22E	ML47780		4304732820
WONSITS STATE 02-32	SWSE SEC 32, T7S, R22E	ML47780		4304732819
WONSITS STATE 05-32	SENE SEC 32, T7S, R22E	ML47780		4304733678
WONSITS STATE 09-32	NESW SEC 32, T7S, R22E	ML47780		4304734060

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):
 N2115-Westport Oil & Gas Co., LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

TO: (New Operator):
 N2995-Kerr-McGee Oil & Gas Onshore, LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

CA No.			Unit:					
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on:
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
- 6. Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
- 7. Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
- 8. Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- 9. Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on:
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
 The Division sent response by letter on:

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.
KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell

**Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Signature

Randy Bayne

Title

DRILLING MANAGER

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22265
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: MORGAN STATE 3-36
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0521 FNL 1940 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 36 Township: 09.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047325890000
9. FIELD and POOL or WILDCAT: NATURAL BUTTES		COUNTY: UINTAH
STATE: UTAH		
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> APD EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/16/2011		
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE SUBJECT WELL WAS RETURNED TO PRODUCTION ON 07/16/2011.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 8/5/2011	